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REPORT

OF THE DIRECTORS

OF THE

BOSTON & WORCESTER RAIL-ROAD,

TO THE STOCKHOLDERS,

AT THEIR

THIRTEENTH ANNUAL MEETING,

JUNE 3, 1844.

BOSTON:
PRINTED BY I. R. BUTTS, 2 SCHOOL STREET.
1844.

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REPORT.

The Directors announced in their last Annual Report the completion of the second track of the road, and of the buildings and improvements which were deemed necessary, for carrying on to advantage not only the local business of the road, but that which is done in concert with the two other Corporations, whose roads are connected with it. They have therefore no important change to report in the condition of the work. The road is now in good repair, and in a state for carrying on advantageously, and to the satisfaction of the public, every branch of the passenger and freight business.

Since the date of the last Report a material improvement has been made by the Norwich and Worcester Rail-road Corporation, by the extension of that road from the city of Norwich to Allen's Point, a distance of six or seven miles. By this addition, that Rail-road is extended to a length of sixty-six miles, and the part of the line of communication with New York, which was heretofore supplied by steam navigation, is shortened by the distance above-mentioned. Your Directors, in pursuance of a vote of the Corporation, passed at a

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special meeting called for the purpose of taking the sense of the Stockholders upon the subject, before the commencement of the work of the extension road, entered into an arrangement with the Norwich and Worcester Corporation for establishing the proportions, in which the income of the joint business of the two roads should be divided; and by which, also, for the purpose of aiding that Corporation in the construction of the extension road, a certain part of the proceeds of fare accruing to them from the passengers conveyed in the steamboat train should, for a specified period, be retained in the hands of this Corporation, and invested in a trust fund for the security of a loan, for the construction of the extension road, on the terms stipulated in the arrangement. On the bonds so secured, your Directors, in pursuance of the vote above referred to, advanced from the surplus fund a portion of that loan. Finding it, however, afterwards in their power to sell the bonds without loss, and without risk, they concluded to do so, and to dispose of the reserved fund in another way.

This fund was established, at a time when the road, engines, and cars were new, by setting apart from the semi-annual earnings, before declaring dividends of profits, an allowance, by estimate, for the obvious deficiency of the expenditures for repairs, in making good the depreciation of the several descriptions of property, as they were debited in the construction account. The work of construction being now completed, as far as is in the contemplation of the Directors, and that part of the fund which was considered applicable to the road, having been heretofore exhausted, in the thorough repairs

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which have been made within the last few years, it has been now deemed unnecessary to preserve the fund any longer as a distinct account; it having been already reduced to $38,000 by the road repairs, and the residue being applicable to meet the depreciation of cars and engines. They have therefore extinguished the fund by carrying the balance directly to the credit of the engine and car accounts. By this operation, the general construction account, of which the cost of cars and engines forms a part, is diminished to an amount equal to that of the fund extinguished; and the general surplus of capital over the aggregate of the construction account, is increased to the same amount, the change being merely in the form of the accounts, and not in their effect.

By means of the judicious exertions of the Directors of the Norwich and Worcester Rail-road, with the aid afforded as above-mentioned, by this Corporation, and with similar aid from the principal stockholders of that Company, the additional work above referred to was completed during the last season, and it is now in successful operation. It is a work of great importance to the Norwich road, chiefly from the improvement which it makes in the route between this city and New York. As the Boston and Worcester road forms a part of the same route, this Corporation derives nearly an equal benefit with the Norwich Company from this improvement. On this ground, as well as on the ground that the friendly relations, which have always subsisted between the two Companies, are now firmly consolidated, the Directors conceive that this Corporation is amply compensated, for the aid which it has afforded in promoting the improvement.

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The attention of the Directors has been given, with much solicitude, to the arrangements necessary for maintaining the steamboat line to New York, on a footing satisfactory to travellers, and to those who are concerned in the transportation of merchandize; and one which should, at the same time, secure to this Corporation a just participation in the profits resulting from this communication. Their exertions for this object have been cordially seconded, and judiciously and effectively aided, by the Directors of the Norwich and Worcester road, who have uniformly co-operated with this Board in entire harmony. In their joint negotiations with the boat proprietors, they have not succeeded in obtaining for the two roads quite so large a proportion of the income of the joint line, as from their large investments of capital they have thought was their just and equitable share. They have, however, obtained the more important object of securing, by the arrangements which they have from time to time entered into, a safe and commodious line of communication, highly satisfactory to the travelling public; and they are of opinion that, on the whole, the interests of this Corporation could not have been in any way better promoted, than by the various arrangements now subsisting.

Much attention has also been given by the Directors to negotiations with the Directors of the Western Rail Road. These negotiations have recently been attended with some difficulty in consequence, in the first place, of a disagreement of the two Boards in regard to the rates of fare and freight, which would most effectually promote the interests of the two Corporations; and, subsequently, from a claim which has been recently put

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forward in behalf of the Western Corporation, for a division, upon a different principle, of the income arising from the joint business of the two roads. The Directors of the Western Road, in December last presented a proposition for the division of the income from the passengers and freight passing over both roads, on a principle not before claimed, and which was deemed by this Board entirely inconsistent with the relative rights of the two Corporations, and especially with the legal and equitable rights of this Corporation. It was, consequently, after a careful examination, declined. The Directors of that Corporation, in consequence, made an appeal to the Legislature for their interposition in their favor. This petition having been referred to the appropriate Standing Committee of that body, your Directors appeared for the purpose of opposing it. After a commencement had been made in the hearing of the case by the Committee, on the suggestion of the chairman, the proceedings were suspended, and an agreement was entered into by the Directors of the two Corporations, to refer the petition to the arbitration of three distinguished legal gentlemen for decision. It was stipulated by the terms of submission agreed on, that the referees should have power to hear and determine the matter in controversy, as fully as the Legislature could do under the petition; their award to be binding on the parties for one year, from the first day of January last, and until the expiration of three months from the notice by either party of dissatisfaction therewith.

In thus referring the question to the decision of referees, to be binding for a limited period, on terms which should not be a waiver of the legal rights of this

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Corporation, your Directors yielded to a desire of settling the controversy for the present, and until the merits of the question could be better understood, from the results of a longer experience. They also entertained a hope that such an award as the referees should render, founded on their estimate of what would be equitable between the parties, might serve as the basis of a permanent arrangement. The case so referred recently came on for a hearing, on which occasion your Directors appeared with the aid of able counsel, for the purpose of sustaining the rights of the Corporation. After the opening of the case, the counsel for this Corporation, before proceeding in their defence, with the assent and approbation of the Directors, submitted to the referees a paper, in which, although denying the legal right of the Legislature, and consequently of the referees, to establish the rate of fare and freight, which shall be paid by the Western Rail-road Corporation for transportation on the Boston and Worcester Rail-road, nevertheless, for the purpose of coming to an arrangement which should fix the interests of the parties for the time limited in the reference, they agreed that the referees should proceed to make a report upon just and equitable principles, without regard to legal objections, by dividing the income of the joint business between the two Corporations, in such proportions as they should think just. On this footing the case was proceeded in by the referees. Such statements and evidence were presented, as the parties saw fit to offer, and the questions submitted were ably argued by counsel. The referees having taken time to consider the case, on May 21st made their award.

Your Directors confess that they are disappointed in

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the decision which has been made by the referees, both in regard to the general principle on which that decision is based, and to the division which they have made of the income of the joint business, even upon that basis. In principle, it denies to this Corporation the right of enjoying the income resulting from the use of its own road, so far as that use is connected with the Western road, and it confers upon the Western Corporation a right of making a profit as carriers upon our road, in addition to that which they earn upon their own. Had the referees been called on to decide upon the legal question, whether another Corporation possesses any right to such a use of our road, the Directors are fully of opinion that they would have decided that the claim is entirely without foundation. The award proceeds on the ground of the agreement, that for the purposes of this reference the legal claims of this Corporation were waived, and that a division of the income of the joint business was to be made, on such principles as seemed to the referees to be equitable. In the decision thus made, the award gives to the Boston and Worcester Corporation no part of the income earned from passengers or by freight, *on the Western Road*, although this Corporation does as much for the benefit of the joint business on that road, as that does for the same business on ours. No claim was made by us for any part of the income of the joint business on that road, although by our charter we have as much right to be carriers on the Western Road, as that Corporation has to be carriers on ours, and we are, in fact, in the same sense, carriers on that road as they are on ours. Our passengers and freight proceed over their road and give them an income, in precisely the manner,

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and by virtue of the same right, viz: — mutual agreement, — as their's proceed over ours, giving us an income of which they claim a portion.

By the terms of the award, as they relate to the division of the joint passenger fare, while the Western Road is permitted to retain the whole of the fare charged on that road, at rates higher per mile than are charged on ours, we are required to pay over to that Corporation twenty-five and one-third per cent. of all the passenger money received by us from the same passengers for transportation on our own road, — this transportation being done at our exclusive expense, and at our regular rates. The amount so paid by us to the Western Road, from money thus earned, added to the rates charged on that road, makes the average rate of compensation per mile to that Corporation, for all the joint passengers, more than fifty per cent. higher than the sum retained by this road, from the amount so earned by us.

For example, we receive from all first class passengers conveyed over the Boston and Worcester Road, one dollar and fifty cents, which is at the rate of three and one-third cents per mile. This was until the opening of the Western Road, the lowest rate of fare on any railroad in the country. Under the award of the referees, for all passengers so passing over our road, coming from or proceeding to any place on the Western Road, the number of whom during the last year was 59,700, while we are to continue to receive from them the same rate of compensation as for other passengers, we are required to pay over to the Western Road the sum of thirty-eight cents for each. These passengers are transported as exclusively by us, as are those who commence or ter-

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minate their journey at Worcester, with the exception that the passenger cars of both companies pass in their due proportions over both roads; or if either road does not furnish its proportion of cars, it makes compensation, by agreement, for the deficiency. On the other hand, for the same number of passengers furnished by us to the Western Road, we receive no compensation, and we ask none, though it is impossible to show any difference in principle between the two cases, to justify a claim on the one part, which is not equally justified on the other.

A difference equal to about two-thirds of this proportion, has always been voluntarily conceded by this road, on the passenger fare, not on the ground that we are not entitled to the whole amount of fare earned upon our road, — for nothing can be clearer than that no other Company has any just claim to it, — but on the ground, that from the relative situation and circumstances of the two roads, ours may be justly required to carry the joint passengers at a lower rate per mile than the Western. But this distinction constitutes no right to demand the payment of a part of the earnings of one road, into the treasury of the other. The difference which has thus been heretofore uniformly conceded to the Western Road was voluntarily yielded in lieu of a discrimination in the rates of fare, and it has been, at all times, equal to an average of thirty-three and one-third per cent., in the compensation per mile realized by that Corporation for all the joint passengers, over the amount realized by this Corporation per mile, for the conveyance of the same passengers; except during the period when that road was making a costly experiment, of an excessively low rate of fares, for the consequences of which the Directors of this road are not responsible.

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The part of the award which applies to the freight business is regarded by the Directors as still more unreasonable than that already alluded to. It is difficult to find any justification for it, in the principles stated as the basis on which it was made. Two of the principles there stated are, first, that the Boston and Worcester road is to be paid all the expenses to which it is subjected, in the transportation of freight to and from the Western road, and that in estimating these expenses, all the freight is to bear its proportion of all he freight expenses; and second, that in addition to the sum thus to be levied as the actual expense, the Worcester road is entitled to a fair and reasonable profit, upon this portion of their business. Now the award is far from a compliance with these two principles, — far as these principles are from recognizing the right of the Corporation, to derive a revenue from its investment of capital in this road, a large portion of which capital was invested for the sole purpose of accommodating the business of the Western road. Instead of indemnifying the Worcester road for the cost of transporting freight, and affording a reasonable profit in addition, the compensation established by it, for the transportation of the whole freight to and from the Western road, is so low that we believe it very certain that it will fall short of paying the expenses of doing the business. This was shown by the accounts put by us into the case, and it will be easy to confirm it by other testimony, when the occasion shall require. What makes the injustice of this part of the award the more striking, is, that the part of the freight business which is connected with the Western road, and to which this decision applies, constitutes two thirds of the whole

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freight business of this road, for which so large an expenditure in depot accommodations, and in the extension of the double track, has been made. The injustice of the new rule of compensation is further illustrated by the fact, that the freight of the Worcester road, which had been regularly increasing every year, until the opening of the Western road, in the latter part of 1839, and which in that year amounted to over twenty-eight thousand tons, affording an income of $97,751, was reduced in 1840, on the opening of that road, to fourteen thousand three hundred and fifty-six tons. From this amount the local freight has again gradually increased to nineteen thousand six hundred and eighty-six tons in 1843, producing an income of $54,746. The result of our exertions for the accommodation of the freight business of the Western road under this award is, that with an increased capital of more than a million of dollars, a great part of which was demanded chiefly for the accommodations of the Western freight, the earnings of our local freight are reduced by the amount of $43,000; and while our whole freight is increased to the immense amount of ninety thousand tons, we are required to transport the whole increase, for a compensation less than the actual cost.

The Directors can account for an award, which assigns to the Worcester road a part of their own earnings so manifestly short, not merely of a fair income upon the capital appropriated to the business, but of a just remuneration for the business done, only on the supposition that the referees were grossly deceived in their estimate of the cost of transacting the business. The Directors presented on the hearing, detailed statements

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of all the expenses of the last year, and those of preceding years, so far as they were supposed to have any bearing on the questions to be decided; but as they could not suppose that the decision of the question would turn upon the mere expense of transacting the business, and as they could still less suppose that the referees would go behind the accounts of actual expense incurred the last year, they had no opportunity of presenting this particular view of the case, by an exhibition of the cost of transportation, any further than it was presented by the accounts above referred to.

The amount of business to which this rule of compensation applies, constitutes, as has been stated, two thirds of the whole freight business of the road, and an amount greater than the whole freight business of any other Rail-road in the State except the Western. It demands a use of our road, in the number and weight of cars of every description transported over it, more than equal to every other use which is made of it, for either passengers or freight, and consequently contributes more than every other use to the wear and dilapidation of the road. The Directors need not say that a mere remuneration of the cost of transacting this large amount of business, together with even a small allowance of profit on the labor of transacting it, without any consideration of the capital invested by means of which alone the business could be transacted, would be regarded by them as a very unsatisfactory award, and indefensible on any just principle.

The principle on which they maintain that their claims should be adjudged, they conceive to be unquestionable, viz., to award to them all the just earn-

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ings of their own road, in all the modes of carrying on the business of it, authorized by their charter, subject to such rates of fare and freight on the joint business as are reasonable, in comparison with those of the adjoining road, but subject to no claim of the Corporation owning the other road, to share in its income or earnings in any other way, or on any other principle, than they are entitled to share in the profits of that road. They admit, however, the reasonableness, (and consequently acknowledge the obligation) of making such discrimination in favor of the adjoining road, in consequence of the difference of situation and circumstances between the two, in the rates of fare and freight on the joint business of the two, as will enable the other Corporation as well as their own, to make a fair profit on all the joint business, which it is for their mutual interest to carry on. To what extent they are bound to carry this discrimination, it may be difficult to determine by any precise rule, but it is easy to define the limits beyond which it cannot be reasonably claimed in behalf of the other road, and beyond which this road is justified in refusing to go; and, *First.* It cannot be demanded, that the discrimination in favor of the Western Road in the rates per mile received by each Corporation on the joint business, should be such as to give that road a greater rate of profit upon it, in proportion to the distance of transportation (after charging each with its share of the whole expense of its own road,) than is derived from the same business by the Worcester Road. As the only ground on which the discrimination is demanded is, that the Western road is not able from its difference of circumstances to earn a reasonable income from the joint

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business, if it be limited to equal rates of compensation, it is clear that the rates cannot, for this reason, be justly made so unequal, as to give that road a greater rate of income on their own capital from this business, than is given to the Worcester road on its capital from its share of the same business. A discrimination restricted by the application of this principle, would afford to the Western road every advantage in its participation in the joint business, to which the difference of circumstances and situation can give it claim. In other words, it would allow them a full equivalent, so far as the joint business is concerned, for all their comparative disadvantages of situation. To claim any further discrimination would be to claim a share of the profits of the capital of the Worcester road.

Second. It cannot justly be demanded that this road should make such a discrimination in favor of the other, by the reduction of its local rates of compensation, as will give to the other, a higher rate of compensation on its joint business than it derives from its local. The discrimination can be justly claimed only on the ground that it is demanded for the encouragement of the joint business, and that this business is for the mutual benefit of the two roads. The two Corporations are equally bound, as far as their circumstances will admit, to favor and promote this joint business. It would be a violation of this obligation to subject the joint business to any higher rate of compensation than they deem adequate, on their local business, to afford a reasonable remuneration. It may, on the contrary, be reasonably demanded that each road, for the encouragement of the joint business, should make some deduction from its rates of compensation on

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its local business. This principle has in fact been recognised by the practice of the Western road in establishing its rates of way and through business. It must follow from these principles that the Worcester road cannot justly be required to make a deduction in its rates of fare or freight on their share of the joint business, to enable the Western road to receive from their share of it higher rates on their share of it than they demand for like services in their local business.

Third. If any part of the joint business is of such a nature as to afford little profit, from the low rates at which it must be done, and especially if it be done at so low a rate as to afford no profit, it is evident that little or no discrimination can be justly made in the proportions, according to distance, in which this compensation should be divided between the two Corporations. The rates of freight on the joint transportation now established, by the desire of the Directors of the Western road, and with the reluctant consent of the Directors of this road, are believed to be lower per mile, than are charged for the transportation of general merchandize on any other rail-road in the world. They consequently afford to each Corporation an extremely low rate of compensation, and one which does not admit of any discrimination unfavorable to this road, without denying to it anything like an adequate remuneration for the service performed, and for the use of the capital employed. They are much lower than our local rates, and the great reduction from these rates has had an injurious effect on our local business. For these reasons, and because a difference had been conceded in the rates of passenger fare, by which the Western Corporation realized a compensation

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per mile on the joint passengers thirty-three per cent. greater than was realized by this Corporation, it was the opinion of the Directors that no reduction of the freight, received by this road for the joint freight below a pro rata division per mile, could be consented to, consistently with the just rights of this Corporation.

The Directors are not convinced of the unreasonableness of this claim. If such rates of freight had been established as would give to the Western road a higher compensation, without denying to this Corporation a reasonable one for the service performed, this ground of objection would not have existed.

The Directors do not deem it necessary on this occasion, to go into a full examination of the principles of the award, or into any discussion of the legal rights of the Corporation. This brief explanation of their views in regard to the relative rights of the two Corporations they have thought due to the stockholders at this time, to guard against the supposition that they acquiesce either in the principles on which the award is founded, or in the reasonableness of the terms on which it requires this Corporation to do the large portion of its business which is connected with the Western road, and from which the stockholders have anticipated an increased income on their capital.

The protection of the just rights of the Corporation involved in this question, is a matter which will require the careful attention of those to whom the stockholders shall entrust the management of their affairs.

In the business of the last year there was a considerable increase over that of the year preceding, but without a corresponding increase in the income. In the

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five months ending on the first of May of the present year, there has been a still greater increase over the corresponding months of last year. This increase, it will be observed from the statement presented below, is something greater in the local business than in that which is joint with the Western road.

The following table exhibits a succinct view of the amount of passenger and freight transportation during the year ending on the first of December last. It exhibits, also, in distinct columns, the amount of the local business of our own road, that of the joint business with the Norwich and Worcester road, including that of the steamboat line, and the joint business with the Western road. The numbers indicating tons of freight, as given in the several columns, for greater distinctness in the comparison, in addition to the freight carried over the whole road, embrace also the amount of way freight, reduced to their equivalent in tons carried through. Under the head of passengers, will be found the number, in each classification, of those carried through, as well as the whole number. From these numbers may be deduced the number of way passengers, and the average distance of the transportation of each. The column of passengers, to and from the Norwich and Worcester road, does not embrace the way passengers to and from that road, as they pay at the same rates as the way passengers travelling only on the Boston and Worcester road, and are enumerated with them. It will be observed that under the head of freight, the amount of *earnings* is given, and not of *receipts* within the year. This will account for the difference between the amount stated, and the receipts as exhibited in the annual report to the Legislature.

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Freight.	B. and W. road alone.	To and from N. and W. R.	To and from W. road.	Total.
Tons of Freight, ...	19,686	9,625	59,013	88,324
Freight Earnings, ...	$54,746	$21,016	$88,265	$164,027
Freight Expenses, ...	$22,963	$10,563	$64,767	$ 98,293
Net income, ...	$31,783	$10,453	$23,498	$65,734
Passengers.				
Through Passengers, ...	36,647	33,085	57,520	127,252
Whole Number, ...	168,796	33,085	60,949	262,830
Equal to through, ...	80,429	33,085	59,700	173,214
Passenger Receipts, ...	$114,663	$31,017	$61,587	$207,267
Passenger Expenses.	$ 62,269	$16,382	$30,258	$108,909
Net Passenger Income, . .	$52,394	14,635	$31,329	$98,358
Mails, Rents, &c.				$13,443
Gross Income, ...	$169,409	$52,033	$149,852	$384,737
Total Expenses, ...	$ 85,232	$26,945	$ 95,025	$207,202
Total Net Income, ...	$84,177	$25,088	$54,827	$177,535

Comparative Statement of the Earnings on Freight, and the Receipts from Passengers, in the five months, from Dec. 1, to May 1, in the years 1842—3, and 1843—4, distinguishing the respective classes. The amounts given as the Earnings and Receipts from the transportation to and from the Western Road, are computed at the rates of last year, and not by the rates established by the award.

Freight Earnings.	1842—3.	1843—4.	Increase.
Boston and Worcester, Local Freight,	$17,792.25	$31,151.88	$13,359.63
To and from Western Road, ...	28,965.23	37,013.34	8,048.11
To and from Norwich and W. Roads,	5,085.65	9,390.40	4,304.75
Total Freight, ...	$51,843.13	$77,555.62	$25,712.49
Passenger Receipts.			
B. and W. Local, with Norwich, except steamboat train, ...	26,064.70	33,526.19	7,461.49
To and from Western Roads, ...	10,197.97	12,778.34	2,580.37
Steamboat Train, ...	7,005.35	10,654.00	3,648.65
Total Passengers, ...	43,268.02	56,958.53	13,690.51
Total Earnings, ...	$95,111.15	$134,514.15	$39,403.00

All which is respectfully submitted.

By order of the Directors.

NATHAN HALE,
President.

Boston, May 25, 1844.

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AWARD OF THE REFEREES,

WITH THE

DOCUMENTS APPENDED THERETO.

The undersigned, the Arbitrators named in the Submission hereto annexed, marked A, having met and fully heard the parties thereto, do make the following Award.

THE Boston and Worcester Rail-road Corporation, having waived certain objections supposed by them to be well founded, to any action by the Legislature or by the arbitrators, in the premises, as appears by the paper hereto annexed, marked B, the arbitrators have passed upon the questions submitted to them, and make this award, upon what they deem to be just and equitable principles, without regard to legal objections.

They, in the first place, adopted the principle that the Boston and Worcester Rail-road Corporation are to be paid all the expenses to which they are subjected in the transportation of freight to and from the Western Rail-road, and that in estimating these expenses, all the freight carried on the Boston and Worcester Rail-road, from whatever source derived, should bear its proportion of all the freight expenses on that road.

In addition to the sum thus to be paid as the amount of actual expense incurred in transporting the freight aforesaid, the arbitrators are of opinion that the Boston and Worcester Rail-road Corporation is entitled to a fair and reasonable profit upon this portion of their business.

In establishing a principle upon which the amount of this profit is toabe determined, the arbitrators have had regard,

First. To what they deem to be the policy of the Commonwealth, as established by its legislation, that the construction of new Rail-roads, to be connected with roads already in use, is to be encouraged; and that the business brought to the old road by such new

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road is to be regarded as standing on a different footing from that brought from other sources.

Second. To the fact independently of such considerations of public policy, that the new road deals with the old road as a large customer bringing business in large masses.

Third. To the fact that, to a certain extent, the Western Rail-road brings a new business to the Boston and Worcester Rail-road; and,

Fourth. In some degree, to the pecuniary situation of the Western Rail-road.

The arbitrators, however, would say that the consideration last mentioned has had no weight with them, except so far as they have thought it for the interest of the Boston and Worcester Rail-road Corporation that their customers should be enabled to realize a profit from their business operations, which will induce them to continue them.

Proceeding upon the principles above indicated the arbitrators are of opinion, and do award accordingly, that for all freight brought from or carried to the Western Rail-road, the Boston and Worcester Rail-road Corporation is entitled to receive two cents and seven-eighths of a cent per ton for each mile of their road over which the same is transported; that this sum includes a compensation for the use of the depots of the said Boston and Worcester Rail-road Corporation, and for the expense of loading and unloading thereat; that each Corporation is to supply the motive power over its own road; that each is to provide its proportion of cars and attendants according to the number of miles on each road each ton of freight is transported, and that each is to be subject to all expenses and to assume all risks on its own road.

The sum above-named is fixed with reference to the now existing freight tariff, agreed on by the parties. If the Western Rail-road Corporation shall hereafter increase the rates of freight, passing over any part of the Boston and Worcester Rail-road, to or from the Western Rail-road, they shall pay to the Boston and Worcester Rail-road Corporation a corresponding *per centum* of increase upon the sum above-named.

The article of flour is not included in the foregoing part of this award. The rates of transportation of that article, in the judgment of the arbitrators, and, as it should seem, in the opinion of the parties, should stand upon other and peculiar grounds. In reference to this article, the arbitrators have endeavored to ascertain the cost to the Boston and Worcester Rail-road Corporation, of transporting it, and finding it to be about nine cents per barrel over their whole road, do award that that sum shall be paid by the Western Rail-road Corporation, for such transportation over the whole of the Boston and Worcester Rail-road, and *pro rata* for transportation over any part thereof. *Provided*, that if the rate of transportation from Greenbush

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to Boston, shall be fixed by the Western Rail-road Corporation at a sum exceeding thirty-six cents per barrel, the Boston and Worcester Railroad Corporation shall receive one fourth part of the said sum so to be fixed, for transportation over their whole road, and *pro rata* for transportation over any part thereof.

In coming to this conclusion, the arbitrators have proceeded upon the principle that they would not be justified, in compelling the Boston and Worcester Railroad Corporation to carry any article over their road for a sum less than the actual cost of transportation. If there be any counterbalancing incidental advantages, which should render it expedient for them to do so, they can be best weighed by the parties, and may become the subject of an agreement dictated by a regard to their common interests.

In regard to the transportation of passengers, the arbitrators have proceeded upon the principles heretofore stated, as adopted by them in reference to the transportation of freight; and in pursuance of those principles, do award, that the Western Railroad Corporation pay to the Boston and Worcester Rail-road Corporation, two and one half cents per mile for each passenger of the first class carried to, or brought from the Western Rail-road to the Boston and Worcester Rail-road, and two thirds of said sum for each such passenger of the second class.

They further award that emigrants are to be considered as passengers of the second class unless the parties, by mutual agreement, shall otherwise treat them.

And they further award that, if the Boston and Worcester Railroad Corporation shall hereafter reduce the fare for passengers of the first class on their road to less than two and a half cents per mile, or for passengers of the second class to less than two thirds of that sum per mile, the same deduction shall be made from the sums to be paid them for passengers by the Western Railroad Corporation.

Each Corporation shall supply motive power, cars, attendants, and depot accommodations, and be subject to risks in the transportation of passengers, in the same manner and to the same extent, as is herein before provided in regard to freight transportation.

In witness whereof, we have hereunto set our hands this twenty-first day of May, in the year of our Lord one thousand eight hundred and forty-four.

(Signed,)

J. M. WILLIAMS,
LINUS CHILD,
C. H. WARREN.

I hereby certify that the foregoing is a true copy of the award of the arbitrators.

(Signed,) J. M. WILLIAMS, *Chairman.*

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A.

Whereas, the Western Rail-road Corporation has presented to the Legislature of Massachusetts a petition, a copy of which is hereto annexed and makes part of this agreement.

Now it is hereby agreed by and between the Western Rail-road Corporation and the Boston and Worcester Rail-road Corporation, that the said petition shall be referred to the Honorable LINUS CHILD, of Southbridge, JOHN M. WILLIAMS, of Taunton, and CHARLES H. WARREN, of New Bedford, with power to hear and determine all matters which may be brought before them by said parties as fully as the Legislature could do under the said petition, and the award of said referees, or of the major part of them, being made in writing, under their hands in the premises, shall be binding on the said parties, for the period of one year, from the first day of January instant, and thereafter until the expiration of three months from the date of notice of dissatisfaction therewith, given by one party to the other, in writing.

If either party, being duly notified, should neglect or refuse to attend before the referees, they may proceed exparte.

(Signed,)

NATHAN HALE,
President, Boston and Worcester Rail Road, and Chairman of the Committee.

EDMUND DWIGHT,
President, Western Rail Road Corporation.

JANUARY 30, 1844.

To the Honorable the Senate and House of Representatives of the Commonwealth of Massachusetts:

The Memorial of the Western Rail-road Corporation respectfully represents that the Boston and Worcester Rail-road Corporation were incorporated with the *exclusive* right to construct a Rail-road between Boston and Worcester, but with a provision, however, that the Legislature might authorize any Company to enter with another Rail-road, at any point of said Boston and Worcester Rail-road, "paying for the right of using the same, or any part thereof, such a rate of toll as the Legislature may, from time to time, prescribe,

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and complying with such rules and regulations as may be established by said Boston and Worcester Rail-road Corporation by virtue of the fifth section of the Act of Incorporation."

That your memorialists in pursuance of their Act of Incorporation have entered their Rail-road near the western termination of the said Boston and Worcester Rail-road in Worcester, and have constructed the same from thence to the West line of the State, and have made a continuation of said Road to the Hudson River, at Albany. And the same has been in full operation for two years past. That a great share of the important business, both of Passengers and Merchandize, upon the Western Rail-road, owing to the *exclusive right* of said Boston and Worcester Rail-road Corporation, must necessarily pass over the whole or parts of the said Boston and Worcester Rail-road.

And for said business your Memorialists allege, the said Boston and Worcester Rail-road Corporation require and insist upon too great compensation, by means of which the income of your Memorialists is materially restricted, and their interests are injuriously affected.

Your memorialists therefore pray the Legislature, after due notice, to prescribe the rates of toll which the Western Rail-road Corporation shall pay for the right of entering upon and using the said Boston and Worcester Rail-road. And in general, to grant to your memorialists such other and farther general relief in the premises as equity may require.

B.

Boston, May 10th, 1844.

At the hearing of parties before the referees on the petition or memorial of the Western Rail-road Corporation, the counsel for the Boston and Worcester Corporation with the assent and concurrence of the Directors thereof, beg leave respectfully to state:

That they do not admit, but deny that the Western Rail-road Corporation has entered upon the Boston and Worcester road, under the provision contained in the fourteenth section of the Charter of the Boston and Worcester Corporations, nor do they admit, but deny that they can so enter, without express and special authority for that purpose previously conferred by an act of the Legislature.

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That they do not admit, but deny, that it is or would be, now in the power of the Legislature to grant or confer any such authority.

That the Western Rail-road Corporation not having by legal authority entered on the Boston and Worcester road, they do not admit, but deny, that the Legislature can interfere in any way, to regulate the tolls to be paid by the Western Rail-road Corporation, or in any other way to interfere with the relations, arrangements, or modes of conducting business of the two Corporations.

That if the Legislature had now power to authorize the Western Rail-road Corporation to enter upon the Boston and Worcester Rail-road, and should actually exercise that power, they do not admit, but deny, that in respect to the terms and conditions upon which such entry should be made, and upon which the said Western Rail-road Corporation should use the Boston and Worcester Rail-road, or upon which freight and passengers coming from the Western Rail-road should be transported over the Boston and Worcester Rail-road, or over the last mentioned road to the Western Rail-road, the Legislature possesses any power whatever except the power of fixing, from time to time, what rates of toll per mile the Western Rail-road Corporation should pay to the Boston and Worcester Corporation, for the use of its road, nor can even this power be exercised except in conformity to such rules and regulations, as shall be found necessary to be established by the Directors to accomplish the great and leading object of transportation on this road.

Nevertheless, for the purpose of coming to an arrangement which shall fix the interests of the parties for the time limited in the reference, and in the hope that such arrangement may be satisfactory to both parties, so that they may assent to its continuance, the counsel for the Boston and Worcester Corporation waive the foregoing objection, and agree that the referees may proceed to make a report, upon just and equitable principles without regard to legal objections, by dividing the income and expenses arising from the joint business of the two Companies, in such proportions as they think just, both with respect to freight and passengers.

Signed,

DANIEL WEBSTER,
B. R. CURTIS.

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REPORT

OF THE

COMMITTEE OF STOCKHOLDERS,

APPOINTED AT THE PRECEDING

ANNUAL MEETING.

The Committee who were appointed at the meeting of the Stockholders of the Worcester Rail-road, on the fifth of June, 1843, "to examine the next Annual Report of the Directors, and the general state and condition of the affairs of the Corporation, and report to the Stockholders," have attended to the duty assigned them, and respectfully present the following

REPORT.

The Directors' Report, for the year just terminated, was put into their hands on the 27th ult., and, on Friday, the Committee, in company with several of the Directors, passed leisurely over the entire length of the road, and carefully examined the same at many of the most important parts of the line. A portion of the Committee have, also, passed upon the road very frequently during the last year, and have personally examined its general condition, and the manner in which the business of the Corporation has been conducted; and they cheerfully endorse the statement of the Directors, expressed in their Report, viz: that the road is now in good repair, and in a state for carrying on advantageously, and to the satisfaction of the public, every branch of the passenger and freight business.

They would further add, that the road has been kept in good condition throughout the year, and is, probably, in a better state at this time, than at any previous period; that the freight and passenger trains have been despatched with great regularity, and have performed their trips in good time, and without accident; and that the increasing demands upon the road have been met by the construction of a sufficient number of new cars and locomotives.

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The Directors called the attention of the Committee to the bridge supporting the old track over the "*back bay*," which they propose to rebuild; and the Committee are of opinion that the same should be relaid without delay. Extensive repairs might make it safe for a few years; but it would be true economy to reconstruct the old part of it at once.

The Committee observed that the drainage of the road had been very much improved of late, although, in a few instances, it seemed still imperfect, especially in the places where the old rails have not been elevated to correspond with the level of the new track; but perhaps little more is necessary in this respect than to raise the remaining portions of the old track, as is contemplated.

Some alterations are proposed by the Directors in one or two of the Depots upon the line, which the Committee entirely approve. They also learn that the Directors have under consideration the expediency of removing the Depot buildings, in Needham, from their present position, about one mile west, to West Needham. Some of the reasons for this removal are that the present Depot is situated on a high grade of the road, with few inhabitants in the neighborhood; and such is the nature of the ground, in the immediate vicinity, that no increase of population can be expected. On the other hand there is already a small village at West Needham, (where the road bed is nearly level,) and a plenty of unoccupied ground, which seems highly favorable to its immediate increase. It is also evident that the establishment of a Depot at the place aforesaid, would much better accommodate the inhabitants of South Natick. If this change in the location of the Needham Depot can be effected at a moderate expense, of which the Committee have no doubt, they would respectfully recommend that it should be made at an early day.

The Committee are of opinion that the Directors are entitled to the thanks of the Stockholders for the faithful and skilful manner in which they have performed the duties of their office, for the year which has now expired; and they feel constrained to express their belief, that the arduous and highly responsible duties which have devolved on the presiding officer of the board, especially for the last year, have been discharged by him with great fidelity and ability.

Respectfully submitted, by order of the Committee,

ABRAHAM T. LOWE, *Chairman.*

BOSTON, JUNE 3, 1844.

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REPORT

OF THE DIRECTORS

OF THE

BOSTON AND WORCESTER RAILROAD,

TO THE STOCKHOLDERS,

AT THEIR

FOURTEENTH ANNUAL MEETING,

JUNE 2, 1845.

BOSTON:
PRINTED BY I. R. BUTTS, 2 SCHOOL STREET.
1845.

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REPORT.

The increasing business of the Railroad, and the consequent increase in the number of locomotive engines and cars, have rendered indispensable a considerable enlargement of the premises of the Corporation, in the South Cove. For effecting this purpose, some additional purchases of land became necessary, and plans have been adopted for the erection of new buildings. Provision has also been made for carrying into effect an agreement with the Directors of the Old Colony Railroad, by which, in pursuance of authority granted by the Legislature, subject to the consent of the Directors of this Corporation, that Railroad will pass through our premises, and will be furnished with a passenger station near that of this Corporation on Albany Street. In accomplishing these two objects, and at the same time carrying into effect an important agreement in reference to Lincoln Street, it has been found necessary to make extensive changes in the arrangement of the depot.

In conformity with the agreement here referred to, which has been entered into with the South Cove Cor-

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poration, and with the proprietors of lands adjoining Lincoln Street, and which has received the approval of the Mayor and Aldermen, that Street, from the point where the Railroad enters it to Harvard Street, will be hereafter appropriated exclusively to the Railroad track. Common carriages will be excluded from that part of the street, and will be furnished with a more safe and convenient avenue, which will be entirely separate from the Railroad track. The changes here referred to, when completed, will make a great improvement in all the accommodations of the depot, and an addition to the means of doing business, commensurate with the increased amount of transportation on the road.

The arrangement with the Old Colony Railroad is made for the period of five years from the opening of that road, which is expected to take place in December next. For the accommodation of the passenger station, to be furnished to this road, and for the use of a track between the passenger house and the channel, at all times when required for the passage of regular passenger trains, that Corporation will pay a stipulated compensation, in semi-annual instalments. The passenger house to be erected for the use of this Corporation, (a portion of it, however, to be appropriated to the joint use of the two roads,) will be situated at the corner of Albany and Eliot Streets, and will be one hundred feet in length and sixty-two in breadth. This arrangement for the accommodation of the Old Colony Railroad, although it will be attended with some inconvenience to this road, from the passing of the passenger trains through our depot, it is believed will prove in several respects

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advantageous to both roads, and also to property in the South Cove.

A new engine-house, with a machine-shop adjoining it, will be situated at the corner of Lincoln and Ontario Streets, and the shops for the building, painting and repair of cars, on the westerly side of Lincoln Street, south of the Railroad. The engine-house will be circular, and will be furnished with a turning table, connecting immediately with sixteen stands, each sufficient for an engine and tender of the largest class. The machine-shop adjoining, will afford room for the deposit of other engines, besides room for a stationary engine, lathes, benches, and other fixtures, and furniture for all the operations for manufacture and repair of machinery, necessary for the use of the road. The removal of the present engine-house, and machine and repair shops, will afford room much needed for the better accommodation of the freight department. The premises of the Corporation, as thus proposed to be arranged, including the passenger and freight houses, houses for the storage of locomotives and cars, — machine, car-building and repair shops, yards and sheds for fuel, and wharves, will be compactly and conveniently arranged, covering an area of nine acres, exclusive of streets.

Preparations have been made for an important improvement at the point where the Railroad crosses Tremont Street, after passing the receiving-basin of the Mill Dam.

On the first introduction of the Railroad to the city, it was the desire of the Directors, to raise the level of Tremont Street, in such manner that the travel upon it might pass over the Railroad by means of a bridge, and thus be secured against all hazard of collision,

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and of injury from fright to horses, in the same manner as was done in Washington and Front Streets. The design was then relinquished, on account of the expense, which it was found would be involved in performing all the conditions which would attend the operation. The Directors, however, have never lost sight of the importance of the object, of not only attaining entire security against the hazards to life and property, from the passing of locomotive trains, across a street on which there is a great, and constantly increasing travel; but also of obviating the occasional delays in the great number of trains passing daily on the Railroad, and the occasional serious inconvenience, to large freight trains, arising from the necessity of retarding their motion. The great amount of business now subject to this inconvenience, including not only that of the Worcester road, but the trains connected with the Western and Norwich Railroads, on which a saving of time is of great moment, afford an additional motive for the adoption of this measure, and demand its accomplishment even at a considerable cost. It will be recollected that by means of this bridge, in addition to the bridges on Washington and Front Streets, the Railroad will be effectually separated from contact with all the streets of the city, with the exception of a small portion of Lincoln, and other streets in the immediate vicinity of the depot, which were built for the special accommodation of the Railroad, and with the express understanding that they should be appropriated to travel by locomotive engines. The distance through which locomotive trains will thus be enabled to pass safely, through a populous part of the city, and ap-

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proaching near its centre, is more than two-thirds of a mile.

The Mayor and Aldermen, duly appreciating the importance of this measure, to the security of the citizens, have authorized the raising of the level of Tremont Street, to a height of about fourteen feet above its present surface, at the point of crossing the Railroad, and falling by a gradual inclination on each side, to its present level. This is to be done under the supervision of the Mayor and Aldermen, at the expense of the Corporation, which assumes also the charge of indemnifying the owners of the adjoining estates for damages, occasioned by the change of level. The Directors seized upon the present opportunity for effecting the object, previous to the erection of a large number of buildings, which would probably have been built the present season, in the vicinity of the proposed change. To avoid the payment of heavy damages, they have been under the necessity of purchasing a considerable tract of land on Tremont and Castle Streets, and several brick houses in Tremont Street. The latter will be so altered, as to be adapted to the improved level of the street, and it is presumed that they, as well as the lands purchased for the same object, may be resold, after the improvement shall be accomplished, without heavy loss, beyond the cost of raising the street.

As soon as this operation shall be accomplished, it is proposed to offer these lands for sale, and also a considerable tract of other lands, belonging to the Corporation, situated on Castle and Tremont Streets, and between the latter and Washington Street, including parts of lots which were purchased for obtaining the Railroad

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track, and the temporary accommodation for the business of the road, before the necessary room had been obtained in the South Cove. It is not thought necessary to retain them longer, for the purposes of the Corporation, and they may be sold to advantage, after the completion of the improvement in Tremont Street, and after some alterations in the laying other adjoining streets.

A part of these lands, adjoining Washington Street and Indiana Place, have been already offered for sale, and it is anticipated, that the proceeds of these sales will make a material reduction of the heavy charge incurred for the purchase of lands in the city.

Before the construction of the Railroad was commenced, the Directors believing that, in process of time, the interests of the road, and those of the inhabitants of the adjoining towns, might be promoted by the establishment of branches, in situations where the amount of business would be sufficient to make it an object, obtained from the Legislature an act, granting authority to build such branches, to any part of the towns through which the Railroad passes, and also through any part of the next adjoining towns. A single branch, only, at Millbury, has yet been built under this authority. The business coming upon the road from other places, within the limits of the authority for building branches, has not hitherto seemed to demand this accommodation, and no application for such accommodation has been made, until recently. At the last session of the Legislature, an application was made by the inhabitants of Framingham and Saxonville, for a branch Railroad leading from those villages to the Fitchburg Railroad at Weston, a distance of about ten miles, — the former village being but two

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miles, and the latter but three, from the Boston and Worcester Road, and the business of both being in a very high degree, already accommodated by this road. The Directors deemed it their duty to appear before the Legislature, and oppose this grant, as an interference with the privileges already granted to this road, not demanded by any public exigency, or any just claim, on the part of the inhabitants of those villages, who already enjoy most important advantages from the construction of this road. The application for a connexion with a more distant Railroad, with a view of transfering to it a portion of the business included among the special objects for which this road was established, appeared the more unreasonable from the fact, that no application had been made to the Directors of this road, for the establishment of a branch or branches, to those places, under the authority already granted to them. During the pendency of the petition before the Legislature, the Directors passed a vote, by which they decided to establish a branch to Saxonville, during the present season; and also to the central village in Framingham, in case the inhabitants thereof should request it. A number of surveys have been made for determining the most eligible routes for these branches, and it is purposed to decide on the route, and to proceed with the work, as soon as it can be advantageously done, with the intention of completing it the present season.

Applications have also been made, by the citizens of the villages of Newton Lower Falls, and Upper Falls, for a branch to those villages. The Directors have taken the subject into consideration — have visited the ground for the purpose of examination, and have order-

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ed surveys to be made for determining the most eligible route, and for making an estimate of the cost of the proposed branch, as soon as the engineers can be relieved from other duties. They think favorably of the proposal, in case it shall be found that it can be accomplished at a cost which the estimated amount of business will justify.

Since the last annual meeting, a new way station has been established at West Needham, and a suitable building erected there. Some improvements have been made by the enlargement of the buildings and other accommodations at Grafton, and at some of the other stations; and certain other improvements are now in progress at Millbury, at the junction of the Millbury branch, with the main road; and also at Natick. At the Brookline road in Brighton, and at the Hull Crossing in Newton, stations have been established for the reception and discharge of passengers in the Newton special trains only, and small buildings will be erected at these places, for the shelter of such passengers.

In the Report of the Stockholders at their last annual meeting, a history was given of the claim which has been made by the Western Rail-road Corporation, of a right to use the Boston and Worcester Rail-road, for the carrying of passengers and merchandise over it, to and from the Western road, on their own account, charging therefore at one rate, and paying to this Corporation at another rate, to be established by the Legislature, together with a notice of their application to the Legislature, in January, 1844, to prescribe the rates of toll which they should pay for such use — of the reference of the said claim, under certain conditions and

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limitations to arbitrators — and of the award of the arbitrators. This award was made binding upon the two Corporations, by the terms of the submission for the whole of the year 1844; and, subsequently, until the expiration of three months, from the date of notice, which might be given by either party to the other of their dissatisfaction therewith.

Your Directors, on the 15th of January last, gave notice to the Western Corporation, of their dissatisfaction with this award, and of their desire to terminate the obligations of it, at the expiration of the period limited in the conditions of it. They, at the same time, gave notice of an intention to submit a proposition, containing the terms of such an agreement, as they were willing to enter into, for the permanent regulation of the questions embraced in the award.

This proposition was shortly afterwards submitted to the Directors of the Western road, but it was not accepted by them. A more full statement of these proceedings, and of the operation and effects of the award on the business of the road, during the last year, was given in the last Annual Report to the Legislature. A copy of the propositions above referred to, is subjoined to this Report.

On declining this proposition, the Directors of the Western road, on the 31st of January, presented to the Legislature a petition, praying for authority to use the Boston and Worcester Railroad, and that the compensation to be paid therefor, might be prescribed by the Legislature.

This petition was referred to a special joint Committee of the Legislature, and notice thereof was given to

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this Corporation. The Directors conceived it to be their duty to oppose the prayer of the petition, on the ground, that the Western Corporation has no other right to use the Boston and Worcester Railroad, than the latter Corporation has to use the Western road; that each Corporation has an exclusive right to use, regulate the affairs, and establish the tolls of its own road; and that all joint use by the two Corporations, is a matter for regulation, by mutual arrangement. They maintain, that the two charters grant to the two Corporations powers precisely similar; that neither charter contains the grant of any authority to use the road of the other; and that whatever might have been the authority of the Legislature, on the establishment of the Western road, to confer on it, as one of the conditions of its establishment, the right to use the Boston and Worcester road, it did not do so. They maintain, further, that now, after the two Railroads are built and united by mutual arrangement between the two Corporations, under charters which contain no grant of authority to either, to use the road of the other, and after the expenditure by the Boston and Worcester Corporation of a large amount of capital, for establishing a second track, for erecting a large freight house, and for affording other accommodations, for the special purpose of facilitating and encouraging the business of the Western road, in expectation of deriving an income upon it, — it is too late for the Legislature to take away from them the exclusive right of using this road, and of enjoying the income of it, and to confer upon the Western Corporation, the right of using it, on any terms, and especially on any other terms, than such as shall be established by the Directors of this Corporation.

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Considering the question involved in this application, a very important one, in its bearing on the rights and property of this Corporation, the Directors retained as counsel in their behalf, the Hon. Charles Allen, and B. R. Curtis, Esq. They appeared, on the hearing before the Committee, and opposed the granting of the petition, in very able arguments, both on the ground of a want of authority in the Legislature, to change the relative rights of the two Corporations in the manner proposed, and on the ground that no sufficient reason was shown for so doing, if they possessed the power. They contended also, that there would be manifest impropriety in any special legislation in behalf of the Western Railroad, in view of the relations of the Commonwealth to that Corporation; and that if there was any power in that body, under present circumstances, to change the amount of compensation to be received by the Boston and Worcester Corporation, for the transportation of freight and passengers over their road, which was denied, it should be done through the operation of some general enactment, bearing equally upon other railroads.

The joint Committee of the Legislature did not grant the prayer of the petition of the Western Railroad further than to allow them to enter upon and use the Worcester Railroad; and they made no report touching the rights of this Corporation, or the power of the Legislature to change their established rates of compensation for transportation. But, having obtained enlarged power from the Legislature, the committee reported a general law to "Regulate the use of Railroads." This, with the bill to authorize the Western road to enter upon and use the Boston and Worcester road, passed both

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branches of the Legislature. By this law, the Legislature, instead of establishing the rates of toll to be paid by Railroad Corporations, authorized to enter upon and use another Railroad, has undertaken to impose upon such Railroads, as are liable by the terms of their charters to be entered upon and used by other Railroad companies, the duty of drawing over their roads the passengers, merchandize and cars, of such other Railroads; and if the parties concerned shall be unable to agree upon the terms on which this service is to be performed, it is made the duty of the Supreme Judicial Court, on the petition of either party, to appoint three commissioners to fix the rate of compensation. Before, however, such commissioners are appointed, notice is to be given to the adverse party. The latter has, therefore, an opportunity to be heard upon the question of its liability, arising from the terms of its charter, or otherwise, before any action is taken by the Court, under the authority of said act.

The Directors of the Western Railroad, upon the passage of this act, presented their petition to the Supreme Judicial Court, praying for the appointment of commissioners, to determine and fix the rates of compensation, which shall be paid by the Western Corporation, for the drawing of passengers, merchandize and cars over the road of this Corporation. To this petition, the Directors, by their counsel, have made answer, and the several legal questions which obviously arise in the case, are yet to be argued before the Court, and decided by them. In this stage of the proceedings, your Directors, in presenting a document, which although designed to communicate information to the stock-

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holders on subjects deeply affecting their interests, must from its nature be open to public inspection, forbear to state their views, upon questions, now pending before the Court, choosing rather to submit to some degree of temporary injury, that may result from a different course of conduct in any other quarter, than to violate the decorum which enjoins abstinence from all popular discussion of subjects of controversy, which are to be passed upon by the high judicial tribunals.

The period for which the joint business of the two Corporations was regulated by the terms of the award having expired as above stated, on the 15th of April, and the Directors of the Western Road having applied to the Supreme Judicial Court, to appoint Commissioners, to prescribe the terms on which this business should be conducted, by virtue of a law which the Directors of this Corporation did not consider applicable to this road, there was no longer any understanding between the parties for the present regulation of their business. It, therefore, became necessary for the Directors to determine what course should be pursued in relation to it. For the convenience of the public, it was deemed important to avoid any interruption of the arrangements, for facilitating the joint travel and transportation of merchandise, which had subsisted from the first opening of the Western Road. Among these arrangements are the provision by which the cars of the two Corporations, furnished in due proportions by each, pass through the whole line, and obviate the necessity for the shifting of passenger cars, or the unloading of merchandise at the junction of the two roads.

Your Directors, therefore, gave notice to the Western Corporation, of the terms on which they were willing to

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continue those arrangements, and also of the terms on which the business of this road would be conducted, if those arrangements should be discontinued. A copy of this notice, as it defines the terms on which the joint business is at present conducted, is annexed to this Report. The principal conditions of the proposition, it will be observed, are the following. Passenger fares and rates of freight for the joint business, to remain as then established, unless changed by mutual agreement, and to be collected in the same manner as before. The Boston and Worcester Corporation to receive from joint passengers, a fare of two and a half cents a mile, for the distance of transportation on their road, for those of the first class, and two-thirds of this rate for those of the second class. The Western Corporation to receive the residue of the amount charged, under the existing rates, which is equal to about three and a half cents a mile, for the distance of transportation on that road. From the receipts for freight, each Corporation to receive, in compensation for the expenses of loading, unloading, and other depot charges, sixteen cents per ton, and the residue of said receipts to be divided between them, in proportion to the distance of transportation on their respective roads.

These terms of division are not materially different, in their application to the business in its present state, from those which governed it by virtue of the award, except that they provide, that whatever be the distance of transportation, each Corporation shall be indemnified for the amount expended, for loading and unloading, clerk hire, and other depot charges. It was stated in the argument before the Committee, in behalf of the Western road, that the amount received by them for

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freight last year, under the award to which this Corporation had objected, was less than would have been given, by a pro rata division according to distance. This explanation is made for the purpose of showing, that the difference between the two Corporations, is not so much one of amount, looking to the comparative receipts of the two Corporations on their present business, as it is one of principle, looking to the security which this Corporation is entitled to, for a reasonable compensation on this branch of their business, as well as every other.

In the business of the past year, in both the passenger and freight departments, there has been a considerable increase, and this increase is of a nature to afford the stockholders a satisfactory assurance for the future, of an adequate income on their capital invested, provided the conditions of their charter shall receive a construction, as the Directors feel the utmost confidence that they will, which will secure to them a reasonable compensation, for all branches of their business. For a particular statement of the business of the year, ending on the 1st of December last, the stockholders are referred to the Annual Report of the Directors to the Legislature, which was printed for their use. The particular accounts of income and expenses, for the last six months, are not yet made up. The receipts from passengers, as ascertained from the weekly returns for twenty-six weeks, ending on the 24th instant, amounted to $95,889·69, which is an increase of $4,667·62 over the corresponding period of the last year. The earnings from freight, in the same period, amounted to $99,239·02, making an increase in that department of

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$11,078·31, over those of the same period of last year. There is, therefore, an aggregate increase of income amounting to $15,745·93. There will probably be a small increase on the expenditures, the amount of which cannot now be accurately ascertained.

By order of the Directors.

NATHAN HALE, *President.*

BOSTON, MAY 26, 1845.

PROPOSITION

Submitted to the Directors of the Western Railroad for the mutual regulation of the joint Fares and Freights.

1. Each Corporation shall be entitled to the whole income earned upon its own road.

2. The rates of fare and freight, for the joint business of the two roads, shall be determined by mutual agreement between the two Boards of Directors.

3. In determining the rates of fare and freight for the joint business of the two roads, it shall be first ascertained what difference between their respective rates will afford to each Corporation an equal net profit per mile, on each passenger, and each ton of freight transported (over the whole or any part of both roads,) taking into consideration the annual charges and the annual interest on the cost of each, with its appurtenances, and averaging these on the whole business of the respective roads. The rates established shall be such, as with a just allowance for this difference of annual expenses and interest, will give to each road an equal net profit per

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mile on each passenger of the same class, and each ton of freight of the same class.

4. For the purpose of ascertaining the said charges of the two roads for current expenses and annual interest, averaged on each passenger and each ton of freight carried one mile, for regulating the comparative rate of fare and freight on them for the year 1845, an accurate statement shall be made of the business of each road in the year 1844, which statement shall exhibit

1. The amount of freight transportation, estimated by the number of tons conveyed one mile, and the amount of passenger transportation by the number of first class passengers conveyed one mile, including also an allowance for second class passengers, equal to two-thirds of the number so carried.

2. A statement of the current expenses of the year, including the cost of repairs of road, bridges, buildings, engines, and cars, and all charges for loss, damage, and general expenses. The charges for the passenger and freight departments of business, to be stated separately, and those which cannot be divided by a more equitable rule, to be divided between the two departments, in proportion to the gross receipts from passengers and freight.

3. A statement of the cost of each road, with the annual interest thereon. The interest to be reckoned at six per cent, except such part of the cost of the Western road as is defrayed by loans on State stocks, and Albany bonds, which shall be stated at the amount actually paid. The interest so ascertained on the cost of each road, to be divided between the passenger and freight departments, in proportion to the amount of receipts of income from passengers and freight.

4. These amounts being ascertained, the aggregate of the expenses of the passenger department on each road, including its proportion of general expenses, and also its proportion of interest, to be divided by the number of passengers conveyed one mile on the same road, ascertained as above prescribed; and the difference between the results, so obtained, shall be the difference in the rate per mile of first class fare to be established on the two roads, for the joint business during the current year. The difference between the second class rate to be in the same proportion. The aggregate of expenses of the freight department on each road, with the interest apportioned thereto as above prescribed, to be divided by the

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number of tons conveyed one mile, and the result so obtained to govern the difference per mile, in the rates of freight to be charged on the two roads.

5. At the commencement of each succeeding year, similar statements to be made, of the business and expenses of the preceding year, with the interest, and divided between the two departments as above prescribed, and new results obtained, for regulating the difference in the rates of fare and freight, which each road shall receive for the joint business on their respective roads for the current year.

COMMUNICATION

From the Directors of the Boston and Worcester Railroad, to the Directors of the Western Railroad, in reference to the expiration of the Award of the Arbitrators.

Gentlemen — A proposition contained in a letter from the President of your road, dated April 2d, was received by us on the 4th instant, for an agreement respecting the transportation of freight and passengers over the Boston and Worcester, in connexion with the Western Railroad. Reference is made in said letter, to the passage of two bills passed at the late session by the Legislature. But, inasmuch as your President expressed a desire to arrange, by mutual agreement, without regard to any recent legislation, the business jointly done by our roads, we entered upon the negotiation at our earliest opportunity, in the expectation that a satisfactory arrangement would be made. Before any result could be obtained, you saw fit to break off the negotiation,

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and preclude all further effort, on our part, for a mutual adjustment of our joint business.

It becomes expedient, therefore, to fix the terms upon which we will transport freight and passengers coming from, or going to the Western Railroad, and give you seasonable notice thereof. They are as follows:

1. From and after the 15th instant, and until further notice, we will receive and convey such freight and passengers, at the usual rates charged for other freight and passengers passing over our road, transporting them in our own cars.

Or, 2d. We will continue the present mode of doing the business with you, that is to say; we will transport both passengers and freight coming from and proceeding to the Western road, in the mode which has been practised from the opening of that road; and of the receipts of fares from the joint business, this Corporation to take and have two and a half cents a mile for every passenger of the first class, and two thirds of that rate from those of the second class; and the Western Railroad Corporation to take and have the residue thereof; passengers to be ticketed through, and fares to be collected and accounted for, as under the present regulations.

The rates of freight to be continued, as now established, unless modified by mutual agreement; each Corporation to be allowed at the rate of sixteen cents per ton for loading and unloading, the residue to be divided between them pro rata, according to the distance of transportation on each road. Each Corporation to furnish exclusively the motive power, depot accommodations, and all servants and attendants, and to be responsible for all risks on its own road, and to furnish passenger and freight cars in proportion to the number of miles each passenger and each ton of freight shall be transported over the respective roads, or in default thereof, to pay an equivalent compensation for the deficiency.

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Presuming that you will prefer, as most advantageous to you, our second proposition, both as to the mode of transacting our business done in connexion with the Western Railroad, and the rates of charge therefor, we shall make our arrangements accordingly, unless we receive an intimation from you that you prefer the other mode of doing the business. We offer to you these terms, without regard to any recent legislation, which we consider to be inapplicable, and of no binding force so far as the Boston and Worcester Railroad Corporation is concerned. We do it from a desire to furnish every facility in our power to the public, and to deal liberally with the Western Railroad Corporation.

Should you, at any time, desire to resume negotiations with us respecting the mutual business of the two roads, we shall be ready to confer with you. And we agree that your pending petition in the Supreme Judicial Court, and the right of the parties involved in the same, or subsequent to the decision thereof, shall not be affected by reason of any thing herein contained, or by any assent by you thereto.

In behalf of the Directors of the Boston and Worcester Railroad Corporation.

NATHAN HALE,

President and Chairman of Committee.

Boston, April 9, 1845.

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REPORT

Of the Committee of Stockholders appointed June 3, 1844, *on the foregoing Report of the Directors.*

The undersigned, members of the Committee of the Stockholders of the Boston and Worcester Railroad, appointed at the last annual meeting, have attended to the duty assigned to them, and report as follows, viz. :

They have examined the Report of the Directors, and in the short time they have been able to give attention to the same, are satisfied that it presents clearly the prominent subjects of interest and importance which have commanded the attention of the Directors through the last year.

It is certainly of the first importance to be able to conduct the great business of the Corporation with safety to the lives, limbs, and property of our fellow-citizens. This subject has never escaped the attention of the Directors. The purchases and improvements in the city of Boston, made and in contemplation, having reference to this most important subject, appear, in the judgment of the undersigned, judicious and proper; and they cannot refrain from recommending the prosecution of these improvements; — guarding as far as practicable against all danger from accidents, in the avenues in use by this Corporation, and which shall hereafter be opened for its use within the city, and elsewhere.

The subjects of difference between this Corporation and the Western Railroad, being now in the course of judicial investigation, should not, in the opinion of the undersigned, be now presented for popular discussion or

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particular observation. The course pursued by the Directors has been one of great responsibility, conducted with becoming delicacy, foresight and wisdom. And it is to be hoped, that by moderation and prudence, all contention may be ended; and that the two Corporations may each pursue its legitimate business without discord or animosity; or, that they may be united, upon such just, and equitable principles as shall command the respect and result in the entire satisfaction of the whole community.

The undersigned having, on Saturday last, gone over the whole line of the Railroad, including the branch to Millbury, for the purpose of observation, are of opinion, from such evidence as the opportunity in so short a time afforded, that the road is in very thorough good repair, equally so if not better than at any former period. They observed, with much satisfaction, the improvements which have lately been made, and which are in progress of being made, at the several stations on the way; meeting the wants of the public, and subserving the interest of the Corporation.

The pecuniary concerns of the Corporation are believed to be in a favorable state. The receipts and expenditures not varying much from what they were the last year. And an opinion is entertained that, should it be decided to have one or more additional branches, the means may be obtained from the sales of lands, now no longer necessary for the use of the Corporation.

All which is respectfully submitted.

SAMUEL K. WILLIAMS,
WALTER BAKER.

Boston, June 2, 1845.

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REPORT

OF THE

DIRECTORS

OF THE

BOSTON AND WORCESTER RAIL-ROAD,

TO THE

STOCKHOLDERS,

AT

THEIR ANNUAL MEETING,

JUNE 1, 1846.

BOSTON:
PRINTED BY I. R. BUTTS,
1846.

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REPORT

OF THE

DIRECTORS

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BOSTON AND WORCESTER RAILROAD,

TO THE

STOCKHOLDERS,

AT

THEIR ANNUAL MEETING,

JUNE 1, 1846.

BOSTON:
PRINTED BY I. R. BUTTS,
1846.

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REPORT.

SINCE the last annual meeting of the Stockholders, and since the date of the last Annual Report of the Directors to the Legislature, an adjustment has been made with the Directors of the Western Railroad, of all matters in controversy between them and this Corporation, and an agreement has been entered into between the two Corporations, for the regulation of the joint business of the two roads, to continue for a period of three years. This agreement is founded on a principle, which recognizes the existence of equal powers and rights on the part of the two Corporations under their respective charters; and it adopts a rule of partition of the emoluments of the joint business, which is mutually satisfactory to the two Boards of Directors. It is believed that under this rule of partition, the joint business will be conducted harmoniously, and that the proprietors of the two roads will respectively enjoy their equitable share of the benefits, which result from the maintenance of a joint line of transportation. As a condition of this arrangement, the petition which was pending in the Supreme Judicial Court, for the appointment of Com-

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missioners to determine the rate of compensation to be paid by the Western Corporation for the use of this road, and which was resisted by your Directors on the ground that the provisions of the law do not legally apply to this Corporation; and also a petition of the Western Railroad Corporation to the Legislature of the Commonwealth, for their further interposition in support of the claim which had been presented to the Court, were both withdrawn. In pursuance of one of the articles of the agreement, the rule of partition of the joint fares and freight has been carried into effect, dating from the commencement of the present fiscal year, on the 1st of December last.

At the last annual meeting, the Directors announced that arrangements had been made, for the erection of a building on Albany-street, for the purpose of affording a passenger station for the use of the Old Colony Railroad, in conformity with an agreement which had been made with that Corporation; and also for the erection of a large and commodious Engine-house and Machine-shop, on Lincoln and Ontario streets. These buildings, with the exception of a part of the former, not required for the use of the Corporation, are completed and are now in use. Great care was taken in the erection of these buildings, to have them of a durable construction, and well adapted to the uses for which they were designed. The Engine-house and Machine-shop, it is believed, will be found as convenient for their respective purposes, as any building of the kind in the country.

The plan of the Old Colony Station-house was

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formed, with reference to the use of only a portion of the building for the purposes of that road, and to the use of the rest of it, in carrying out a further improvement, which it is anticipated will be hereafter demanded for the better accommodation of the passengers of this road. As this building necessarily covers a considerable extent of ground, and as it required an expensive foundation, it was deemed expedient to build it of a greater height, than was required for the special purposes of the railroad, with a view to obtaining an income from the apartments which might thus be added to the building. The upper part of the building has been accordingly appropriated to a large hall, and rooms appurtenant thereto, which are designed to be leased for such uses as will not interfere with the business of either of the railroads. This hall is not yet finished.

The Report made at the last Annual Meeting also announced that preparations had been made for raising Tremont-street, at the point where it crosses the railroad, to the necessary elevation for carrying it over the railroad, by means of a bridge. This important improvement, which has been made by the consent of the city government, is now completed. It was a work of considerable difficulty, arising from the nature of the ground, which was such as to require that all the foundation walls for sustaining the embankment of the street, and the abutments of the bridge should be placed upon piles. The street is seventy feet in width and it is crossed by the railroad obliquely. The floor of the bridge is fifteen feet above the surface of the railroad. The street is raised above its former level for a distance of over six hun-

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dred feet, and Castle and Gardiner-streets are made to correspond in level. Four brick houses adjoining the street were raised, by means of screws, and are placed on foundations corresponding with the level of the streets. Most of the land and houses adjoining the parts of the several streets thus raised were purchased by the Directors, with the intention of reselling them; this being deemed the most eligible mode of adjusting the damages. The greater part of these lands are not yet resold, the grounds not having been put in an advantageous state for showing their value.

By this elevation of Tremont-street, the great object is attained of securing a railroad track leading to a central part of the city, and to the store-houses and wharves of the corporation, without any interference whatever with the travel of the streets. Three great avenues from the city to the country now cross the railroad by bridges, and the whole travel upon them is consequently secured against all hazard of either collision or detention, by the railroad trains.

It having been ascertained that further wharf room would be required, for the accommodation of the business of the Corporation, and especially for the storage of the large quantity of fuel which it is necessary to keep on hand, the Directors have made purchase of the Albany Wharf. This wharf is conveniently situated, in the immediate neighborhood of the engine house, and it adjoins the original wharf of the Corporation. Some other purchases of land have been made, which, although they might be dispensed with at present, were deemed necessary for securing the accommodation which the future business is likely to require. Some of the lands now owned by the Cor-

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poration, particularly those which were purchased for the purpose of raising Tremont-street, it is the intention of the Directors to offer for sale, as soon as they can be put in such a situation, that their advantages of position may be duly appreciated. To precipitate a sale, before it can be understood by purchasers in what manner the streets will be laid out, and for what purposes the neighboring lands are likely to be used, would be to sacrifice a part of their value. A street is laid out, and it will soon be suitably graded, leading through the lands of the Corporation from Washington-street to Tremont-street.

In pursuance of the intention announced at the last Annual Meeting, the Saxonville Branch Railroad was laid out, after careful examination and surveys, on an advantageous route, leading in nearly a direct course, from the station in Natick, to the centre of the village of Saxonville. The route crosses Framingham Long Pond, at a point where it is narrow, by a stone arch. The length of the branch is nearly four miles. Although the grading of this branch was put under contract, as soon as the location could be advantageously made, it was found impracticable to complete the work during the last season. It has been resumed since the opening of spring, and it is now nearly completed. The rails are partly laid down, and it is anticipated that the road will be ready for use, in the course of a month.

A favorable route was selected during the last summer, for a branch railroad leading from the Central Station in South Framingham, to Framingham Central Village, a distance of a little less than two miles. The inhabitants of that place having expressed a dis-

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satisfaction with the route selected, in consequence of a preference for the extension of the Saxonville branch to that village, the execution of the work has been deferred. The Directors were of opinion that the extension of the Saxonville Branch to Framingham Village, in the manner suggested, while it would be more expensive in the construction, as well as in the working, would be less beneficial, both to the inhabitants of the village, and to the Corporation, than a direct branch. The latter would connect the village with the main road, by a much shorter route, and at a station where all the trains stop for taking wood and water, and it would connect the town of Framingham with the business of the main road above, as well as below the point of junction. In consequence of the dissatisfaction thus expressed, no further measures have been taken for the establishment of the Framingham Branch, than the completion of such surveys, as were necessary in the selection of the route.

An application having been made to the Directors for the establishment of a branch to Newton Lower Falls, accompanied by a decided expression of the wishes of the inhabitants, the Directors during the last summer personally examined the route, and gave directions for the necessary surveys to be made for determining the location. They were satisfied also, on an examination of the evidence exhibited, of the amount of business done in the village, that the establishment of such a branch would be the means of affording a considerable accession to the transportation on the road. They therefore resolved to construct the branch as soon as they could determine, in the variety of routes for approaching the village, which of them is

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the most eligible. Estimates of cost have been made on several lines, with the exception of land damages. It was found that the difference in the amount of damages, would make a considerable difference in the comparative cost of the several routes. It will therefore be necessarily taken into consideration, in the selection of the route. It is proposed soon to decide this question, and to enter immediately upon the execution of the work.

Some other applications have been made for branches, which have been under the consideration of the Directors. They deem it advantageous to the interests of the Corporation, to increase as far as practicable the usefulness of the road, by the establishment of branches leading to places where they are authorized by their charter, provided they are desired by the inhabitants of those places, and provided they afford a prospect of remuneration of the capital required to be expended, by the increased business which they will bring to the main road.

For these reasons, the Directors have given particular attention to the application of the inhabitants of Holliston, Sherburne, and Milford, for the establishment of a branch railroad, leading from the station in Framingham to Milford, on or near the route designated in one of the applications for a railroad from Framingham to Woonsocket, which came under the consideration of the Legislature at their last session. A committee of the Board has made a personal examination of the route, not only as far at Milford, but through the whole line from Framingham to Woonsocket, and also of the estimates of the business which

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would be accommodated by it. The Directors have been so favorably impressed with the advantages of the route, and with the prospects of business, arising from the occupations and condition of the inhabitants, and also with the rapid increase of population, and of the products of industry in the towns through which the route passes, as well as with the assurances which are given by the inhabitants, of their readiness to co-operate in procuring the land on satisfactory terms, and in promoting the success of the work, that they have given directions for the making of such further surveys and estimates, as will enable them to come to a definite decision upon the question of undertaking it, at an early day.

Besides the works already mentioned, improvements have been made during the past year, in the buildings at several of the stations on the road, particularly at Millbury, Grafton, Ashland, Natick and Needham. The Directors are of opinion, that the condition of the road and of the passenger and freight stations, has never been better than at the present time. No important repairs are required the present season, with the exception of the bridge across the Full Basin of the Mill Dam, which has been for some time in hand, and is nearly completed; and the important object of substituting heavier rails, for the iron of the first track of the road. The extent of this track, already renewed by the substitution of heavy rails, is about eleven miles, and a further quantity of iron has been ordered, sufficient for the renewal in the same manner, of a further distance of five miles.

Continued experience shows the advantages of this improvement of the original track, by the substi-

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tion of rails, better suited for sustaining the heavy engines and loads, which now daily pass over the road. For the purpose of being enabled to meet the expenditures arising from the cost of this renewal, so far as it is not defrayed from the current income, as well as the cost of branches and other improvements which have been made, and which may be hereafter deemed expedient, the Directors obtained from the Legislature, at the last session, an authority to increase the capital stock of the Corporation, by the addition of 5,000 shares, whenever it shall be thought advisable by the Stockholders.

The course of business on the road since the last dividend, has been quite satisfactory. The income, both from passengers and freight, has exceeded that of any corresponding period since the opening of the road. The accounts of income and expenditure, during this half year, are not yet made up. The amount of receipts from passengers, as shown by the weekly returns, is $109,128. This is an increase over the receipts of the corresponding period of last year, of $13,239. The freight earnings, as shown by the same reports, amount to $111,168, which is an increase over the earnings of the same period last year of $11,929, making an aggregate increase in the earnings of the present year of $25,168, notwithstanding a small reduction in the proportion of receipts from the joint business, under the recent agreement with the Western Railroad Corporation.

By order of the Directors.

NATHAN HALE,
President.

Boston, May 25, 1846.

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REPORT

OF THE

COMMITTEE OF STOCKHOLDERS.

To the Stockholders of the Boston and Worcester Railroad Corporation.

THE undersigned, one of the Committee appointed at the last annual meeting to examine the Report of the Directors, and the general state and condition of the affairs of the Corporation, and to report to the Stockholders at the annual meeting — respectfully reports,

That the engagements of his associates on the Committee, and their absence from the city at the time the examination was made, precluded their attendance to this duty, and this must be the apology for the omission of the names of those gentlemen to this Report. After being apprized of his appointment, the undersigned accompanied the Directors on an excursion throughout the road, and examined its condition with so much of its branches as was then practicable, and they were traversable. There appeared much regularity in the arrangements for the usual business of the road. The several Depots, of which

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a number have lately been enlarged and improved, were found commodious and well adapted for the convenience of the passengers. The attendants attached to them were at their respective stations, and they appeared to have been selected judiciously. The state of the road and its branches evinced a vigilant attention on the part of the superintendents; and that part where the heavy rail has been laid warrants the opinion of its good service and durability. With regard to that part of the road where the old rail still remains which is much lighter; although it may be deemed sufficient for present service, and may not for some time require repair, it is respectfully suggested it will hardly be deemed adequate for the rapidly increasing travel which promises to sustain itself. It is a subject worthy of consideration, whether the Directors will not consult a better economy, as far as the receipts will justify the expenditure, to continue to substitute the heavy rail on the entire route; inasmuch as the lighter rail may be used with advantage on the branches.

The landed property of the Company as well on the intermediate stations as at the two termini, is of great extent and increasing value; and by skilful management it will yield to the Stockholders great emolument at a proper time. This subject it is believed is well understood by the Directors, who it appeared to the undersigned were taking means to make it available, to be added to the accumulating profits, as well as the service of the road. Upon the whole, from the cursory examination which was made from the opportunity which the undersigned has had to judge of the affairs of the Corporation and its

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welfare, he is convinced that they are now in a prosperous and healthy condition.

Having examined the report of the President which has been now exhibited, the undersigned would state that it is in accordance with his own observation. It having been usual of late, at the annual meeting, to appoint a Committee of examination, as well for the Treasurer's accounts, as the other affairs of the Corporation, it is respectfully suggested that such a Committee should annually be appointed, who from time to time shall in the course of the year make examination, as well of the road and the improvements thereon, as also such other proceedings as will enable them to communicate briefly to the Stockholders such information in relation to the management of the road and its concerns, by their agents, the President and Directors, as may be deemed expedient. The importance of the business of the road, its extensive property and the amount of capital invested in it, seems to require that this should be done, not as a formal matter, but effectively; and so as in some degree to relieve the responsibility of the Directors, upon whom the entire management and supervision of the road now rests.

All which is respectfully submitted.

WILLIAM PARKER.

Boston, June 1, 1846.

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REPORT

OF

THE DIRECTORS

OF THE

BOSTON AND WORCESTER RAIL-ROAD

TO THE STOCKHOLDERS,

AT THEIR

SEVENTEENTH ANNUAL MEETING,

JUNE 7, 1847.

BOSTON:
DUTTON & WENTWORTH, PRINTERS,
CONGRESS STREET.
1847.

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REPORT

OF

THE DIRECTORS

OF THE

BOSTON AND WORCESTER RAIL-ROAD

TO THE STOCKHOLDERS,

AT THEIR

SEVENTEENTH ANNUAL MEETING,

JUNE 7, 1847.

BOSTON:
DUTTON & WENTWORTH, PRINTERS,
CONGRESS STREET.
1847.

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REPORT.

The Directors, in presenting for the information of the Stockholders, a report of their proceedings for the past year, have the satisfaction of stating, that the business of the road has been, during this period, in a successful train. The operations have exceeded in magnitude those of any former year, and have fully realized the most sanguine anticipations of the early friends of the road. The two branches of passenger and freight transportation have increased in amount, from year to year, in about equal proportions, and this increase has never been greater than in the past year. The number of passengers who have been transported on the road, within the year, is more than half a million, and the quantity of merchandise conveyed over it, is more than two hundred thousand tons.

To provide for the despatch of so large an amount of business, as the stockholders are aware, a great increase has been necessary in the furniture and machinery of the road, as well as in the establishments for the accommodation of passengers and freight, demanding an increase of the capital stock, far beyond what was originally anticipated. The motive machinery is, at the present time, in a more perfect and efficient state, for the prompt transaction of all the business of the road, than it has been at any former period.

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Notwithstanding the increased expenditure, required for the laying of the double track, the enlarged scale of equipments, and of depot accommodations, as well as for increasing the weight and strength of the rails on the original track, and for the establishment of branch rail-roads, which have absorbed the capital of three and a half million of dollars, there has been earned, during the last year, a greater per centage of net income on the whole expenditure, than within any former year since the opening of the road. Every branch of the property of the corporation, moreover, as the directors believe, including the road track, the bridges, the station buildings, the engines, and the passenger and freight cars, are in such a state of repair, and have been so far improved, by new work and materials, paid for from the current revenue, that they are fully worth, at a just valuation, the cost at which they are represented in the construction, or general stock account, making no allowance for the greatly increased value of the large amount of real estate belonging to the corporation, and appropriated to its use. This state of the property and income of the corporation, at the present time, although many of the expenditures have been made with reference rather to prospective than to immediate business, speaks favorably for the stability of the property, and may be regarded as a satisfactory guaranty against any serious diminution of the net revenue hereafter.

Operations demanding the employment of so much labor, and the rapid movement of so much costly machinery, exposed in a high degree to constant wear, as well as to accidental injury, and requiring to be maintained, at all times, in a state of thorough repair,

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necessarily involve a heavy expenditure, which must continue to increase as the business enlarges. The ratio of expense, however, to the amount of business is much reduced, in consequence of the increased amount of business, and of the improvements which have been made in the machinery,—in the depot accommodations,—and in the state of the road.

In connexion with these reductions in the rate of the expenses, it is proper to take into consideration the low rates of fare and freight, compared with former rates on this road, and with the rates on other rail-roads of the country. The low rates of charge, both for passengers and freight, account for the larger proportion of expenses to income, than are presented by the accounts of some rail-roads, on which the amount of business is much smaller.

The large amount of real estate, demanded for the uses of the corporation, is accounted for, by the space required in the freight-houses for the reception and delivery of the great quantities of produce and merchandise daily transported to and from the city, amounting sometimes to six or seven thousand tons in a week, most of which is loaded and unloaded within the freight buildings. Space is also required for the deposit and movement of freight cars, equivalent to eight or nine hundred eight-wheeled freight cars, including those of the Western and Norwich roads, which are brought hither to deliver and receive their loads. Space is also required, provided with appropriate buildings, fixtures, and machinery, for the deposit and repair of locomotives, as well as for shops for the various branches of the manufacture and repair of passenger and freight cars,

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for wharves for the reception of merchandise from vessels, and for the reception and deposit of fuel.

Freight cars are furnished by this, and the Western roads, in proportion, as nearly as it can be estimated, to the amount of freight transportation on each, and they are used indiscriminately for the business of the two. The present number belonging to this corporation, in double and single cars, exceeds 400 single cars, and sixty more are now in the progress of building in the shops. An addition has been made, within the past year, to the stock of passenger cars, of nine long first-class, and two second-class cars, built in the shops of the corporation, in the most thorough and careful manner, for ensuring strength, durability, and comfort. In consequence of the extensive space required, for the car-building and repair shops, and for the storage of lumber, and other materials, it has been deemed expedient to establish a part of these shops, at a convenient site near the Cambridge road in Brighton. A large shop for the painting of cars has been already established there, and other buildings are about to be erected, on land in the vicinity procured for the purpose. The directors, before determining on this measure, have made a careful examination of the expenses of the car-building shops, as conducted by the experienced superintendent of that department, including the car repairs, with a view of ascertaining whether the business is conducted with the strictest economy, and also whether it may not be a cheaper and more eligible mode, to procure the cars to be built by contract. The result of their investigation has been to satisfy them that, although both passenger and freight cars might perhaps be obtained by contract, at some

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saving of cost, this advantage would not be equivalent to that which is, at present, gained from the superior strength and durability of the cars built in the shops of the corporation, under the immediate supervision of the master of the shops, with timber seasoned in the most thorough manner, and with materials selected with the utmost care. The strength of the cars thus built has been amply proved, under the severest tests.

The directors have not hitherto adopted the same course in regard to the building of locomotives. With a skilful and experienced master of the engine-repair shop, and with the ample provision of all the tools and machinery necessary, for the manufacture of every part of a locomotive engine, required in the making, as well as in the repair, of this machine, it might perhaps have been expedient to build, as well as to repair, our own engines. But the labor of keeping all the locomotives, in use on the road, in thorough repair, has required so much attention and care, that it has been deemed expedient, thus far, to procure the new engines, required for the use of the road, by contract with other machinists. Those which have been recently procured have been built with a view, to their special adaptation to the business of this road, and to the grades of the road, and in conformity with the special direction of the superintendent. The engines lately procured are of two classes—both of great power; one adapted to the passenger, and the other to the freight, department of the service. The engines of both classes have eight wheels; those for the passenger service having two pairs of drivers, five and a half feet in diameter, and those for freight having wheels three feet in diameter, and all drivers. The passenger engines

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weigh twenty tons, and carry large trains with ease over the forty-five miles of road, in an hour and a half, when required to stop but once on the route, and in two hours, including stops at the intermediate stations. The freight engines weigh fifteen tons, and they bring with ease, from Worcester to Boston, the maximum grade, in each direction, being thirty feet in a mile, upwards of 150 tons of merchandise, of 2240 lbs. per ton; and they have been known to bring at a time 360 tons,—the weight of cars and their loading included. The present number of locomotives, belonging to the corporation, is twenty, of which fifteen are in good order. Three more are contracted for, and nearly ready for delivery.

The principal enlargement which has been made in the depot accommodations, for some years past, has been in the freight department. In the mean time, the passenger station, in this city, has become quite inadequate, for the satisfactory accommodation of the great number of trains, and of passengers, which now arrive at, and depart from it. The directors have, for some time past, had in view a plan of enlargement and extended accommodation, at this station, which will render it all that can be desired; but it has been thought best, to postpone the execution of it, until the completion of other improvements, of more pressing importance. It will devolve upon the board of directors, now to be elected, to determine whether they will take measures for carrying the project into execution. The plan is, to erect an additional wing to the present building, fronting on the United States Hotel, and extending, along Albany-street, to the building lately erected, for the accommodation of the Old Colony rail-

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road. That building was erected in accordance with the plan now suggested, the space on Albany-street, between it and Beach-street, being reserved for the erection, at a future day, of a suitable station for all the outward-bound trains, the present building on Lincoln-street being reserved exclusively for the inward trains, and for passengers on leaving the cars. A plan was drawn, and carefully matured, for this object, with a view, to relieving the passengers from the interruption and confusion to which they are now frequently subjected in passing one another, sometimes in the utmost haste, and in great numbers, within a very limited space. By this plan, it is proposed to provide more spacious and commodious rooms, for passengers about to enter the cars, as well as for a ticket-office and baggage-rooms, on Albany-street; and, in the rear of these rooms, and of those hitherto appropriated to the use of the Old Colony rail-road, to provide a double line of tracks for the outward-bound trains—so that two trains, if necessary, may be prepared for departure at the same time. These tracks may be connected, by a sliding table, with those which will serve for the inward-bound trains, in the Lincoln-street wing of the building. The adoption of this improvement becomes every day more necessary, from the increasing number of passengers and of trains. The plan proposes, also, providing, on the second floor, more convenient rooms for the offices of the corporation, as well as rooms which may be rented for other purposes; together with the hall already erected over the Old Colony building. By this appropriation of the space over the depot, which is necessarily covered by an edifice requiring an expensive foundation, and an

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expensive roof, an income will be obtained, for defraying a large portion of the cost of the building.

Another proposed improvement in the passenger department of the road, which was deemed of more pressing importance than this, has engaged much of the attention of the directors, within the last year. This is, a better arrangement at the Worcester terminus of the rail-road, for its connexion with the other rail-roads, terminating at the same place. The passenger station of this road is established in a central part of the town of Worcester, at a point remarkably convenient, for the inhabitants of Worcester, and for those of the neighboring towns who resort thither, for taking passage on the rail-road. On the establishment of the Western and Norwich and Worcester rail-roads, although there was no obstacle, to the terminating of those roads at the same point, there was a difficulty, arising from the interference of two streets, in arranging a convenient track, by which trains of cars should pass from the Boston and Worcester road, through that station, upon each of those roads. Some effort was made to accomplish the object at that time; but the parties were unable to agree in a satisfactory arrangement, and the union between the Boston and Worcester and Western rail-roads was, in consequence, formed at a distance of half a mile, from the Worcester station of this road. In forming a connected line, therefore, by the union of the trains of this road with those of the Western road, it is necessary that these trains should stop at a distance of half a mile, from the station previously established in the centre of the town; and this mode of uniting the trains is attended, as was anticipated, not only with unavoidable de-

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lays, but with other serious inconveniences, and increased hazard of accidents.

In the hope of obviating these inconveniences, a negociation was lately opened with the president of the Western road, for effecting a connexion of this road with both the Western and Norwich roads, by means of a double track, which shall pass through a passenger station, to be erected for the purpose, partly on the site of the present station of this and the Norwich roads; the new station to be of sufficient dimensions, with separate departments, uniting at a common centre, to accommodate, not only the trains and passengers of the three rail-roads already mentioned, but those of the Providence and Worcester, and Nashua and Worcester rail-roads, which are now in progress of construction, and of the Barre road, should it be hereafter built. The plan proposed would admit of the passing through, of the joint trains of this and the Western and Norwich roads, in opposite directions, at the same time. The station-building might be made to extend over these two tracks, so that the trains might stop under cover; or the expense of this part of the proposed building might be avoided, as should be judged most expedient. Independently of these joint tracks, the plan embraces a provision for separate tracks, and passenger accommodations, for the local business of each of the five rail-roads.

For the accomplishment of this important object, of concentrating, at the most central part of the town and county of Worcester, the passenger business of all the rail-roads terminating at that place, to the equal convenience of the customers of all the rail-roads, as well as of the inhabitants of Worcester, and, consequently,

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as the directors believed, for the equal interest of the proprietors of all the rail-roads, it was necessary to make provision for the purchase of several lots of land, in addition to those previously owned by this and the Norwich and Worcester corporations, and also to obtain the consent of the town of Worcester, to the closing of a part of Mechanic-street, and to the raising of Front-street, adjoining the common, to such a height as to admit of its being carried, by a bridge, over the rail-road. A request for permission to make these important alterations in the streets, having been laid before the inhabitants of Worcester, at a very numerously attended town meeting, the request was granted, after an explanation of its objects, by almost a unanimous vote. This cordial acquiescence of the inhabitants of Worcester in the request is regarded, by the directors, as a confirmation of their own judgment of the advantages of the proposed improvement, and, at the same time, as a gratifying proof of the friendly disposition of the inhabitants, towards this corporation, for which they wish to express their cordial acknowledgments. After obtaining this authority for making the necessary changes in the arrangement of the streets, as well as of the tracks and buildings, a plan of the proposed improvement, prepared for the consideration of all the parties whose assent to it was requisite for its going into effect, having been laid before the directors of the Western rail-road, they decided, on consideration, not to agree to it, on the ground that it would be attended with too great an expense.

The project, according to the original design, is accordingly abandoned, and a part of the engagements which had been made, for securing the purchase of

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lands have been suffered to expire. Such lots of land, however, as may be found necessary, for carrying into effect such arrangement as it may be deemed expedient to make, for a convenient union with the other rail-roads, are still retained by this corporation, to be disposed of, as the directors may hereafter deem expedient.

In the report which was submitted to the stockholders, at their last annual meeting, it was stated that the Saxonville branch road was nearly completed; that the directors had resolved to build a branch to Newton Lower Falls, although the route had not been then definitively determined; and that they had then under consideration an application for the establishment of a branch, from Framingham, through Sherburne, Ashland, and Holliston, to Milford. The first of these branches, four miles in length, leading from Natick to Saxonville, twenty-one and a half miles from Boston, was completed, and opened for use, on the fourth of July last, since which date, two daily passenger trains have been regularly run over it, from Saxonville to Boston, opening a direct communication between the two places, and affording a more frequent communication with all the intermediate places. These trains form the second class of special trains, and they afford full employment for one locomotive, with a conductor, and the other necessary attendants. The Lower Falls branch diverges from the main road, near the west bank of the Charles River, and, after twice crossing the river, terminates at the Lower Falls village, on the Needham side of the river, a distance of one and a fourth mile from the main road, and twelve miles from Boston. This branch was completed in January last,

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since which time, four special trains, daily, which previously terminated their routes at West Newton, have been extended to this place. Convenient buildings for the accommodation of passengers and of freight, and also for the deposit of a locomotive engine, or engines, have been erected both at Saxonville, and at the Lower Falls village. The business has commenced successfully at both these villages. In regard to the Milford branch, after a careful consideration of the population and business of the villages through which it passes, and of the surveys and estimates for the road, the directors were of opinion, that the inhabitants of those towns would be greatly benefited, by the establishment of the road; that their business would be much increased by it; and that the interests of the corporation would be ultimately, if not immediately, promoted by it; and that it was expedient to commence it without delay. The route selected is an extremely favorable one, the whole length of it being about twelve miles. For a distance of four miles, after leaving Framingham, it is perfectly straight, and, except at the point at which it diverges from the main road, the whole route is free from short curves, and also from high grades. The estimated cost is about $200,000. The work of grading is already far advanced, and it is expected that it will be completed, before the end of the summer. It is proposed to transfer upon it a portion of the rails, of the first laid track of the main road, which are of ample strength, for bearing engines of a size adapted for advantageous use on this branch. These rails have been successfully used, on the other branches. A sufficient quantity of new and heavier rails, to supply the place of those which are to be thus

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transferred, are ordered, and nearly the whole quantity is received. The work of laying down the heavy rail, on the main track, is now in progress, and the completion of the portion now in hand will leave but eleven or twelve miles of the lighter rail, to be renewed in another year.

A petition was presented to the legislature, at the last session, by the inhabitants of Milford, Mendon, Blackstone, and other towns, praying for authority to extend this branch to Blackstone, in a direction towards Woonsocket,—a distance of eight or nine miles. The directors expressed to the petitioners their assent to the extension, and the application appeared to be so reasonable, and the enterprise was one which would be so manifestly beneficial, to the inhabitants interested in it, provided there should be found parties ready to build it, that there seemed no good reason to doubt, that the legislature would give it their sanction. Had a charter been granted, and the road built, it would probably have been placed under the management of this corporation, under a contract with the proprietors. The experience of the effects of this road, in the towns through which it passes, has not been such as to justify any distrust of the beneficial effects, of an extension like that proposed; and, as there is no existing rail-road, or other known interest, which could have been interfered with, by the grant of the privilege prayed for, it is difficult to imagine on what ground it was refused.

The proposed establishment of a branch road, to the central village of Framingham, remains unexecuted, the directors not having been yet able to agree with them, on a route satisfactory to them.

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Applications have been made to the directors, by the inhabitants of Grafton, and other towns, for the establishment of a branch road, through that town, to connect with the Providence and Worcester rail-road; and also one from the inhabitants of Brookline, for a branch leading to the centre of the village in that town. The directors have given attention to both these applications; but they have not come to a definitive decision on either. On the latter, they have caused a survey to be made, from which it is ascertained, that a very favorable line of road is obtainable, leading from the main road, near the Brookline branch of the Milldam road, in nearly a direct course, to the village, without crossing any public road; and that, with the exception of land damages, of which no estimate has been made, the cost will be moderate. The length of the branch will be a mile and a half, and the distance to Brookline, from the passenger station in Boston, three and three quarters miles. There is, at present, a large amount of travel to the village, in private carriages and omnibuses, and this will doubtless increase rapidly, with the growth of the population, and the increase of travelling facilities. The question to be determined, in deciding upon the establishment of the branch, will be whether the probable amount of travel will be sufficient, to give an adequate support to a regular series of trains, for the special accommodation of it.

Among the extraordinary expenditures of the last year, have been those incident to the establishment of a new cattle-pen, at Brighton, and the digging of a large well, with the necessary pumping apparatus, for the supply of water to the locomotives, rendered ne-

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reason to suppose that there has been any material increase of expenses, any further than it has been occasioned by the increase of business. The receipts during this period, as shown by the weekly returns, have been from passengers $127,081 64; and from freight $151,977 67; making a total of $279,059 31. The receipts during the corresponding period of last year were, from passengers, $111,785 46; and from freight, $114,601 76; making a total of $226,387 22. This comparison shows an increase, on the income of the two branches of business, of $52,672 09.

By order of the Directors,

NATHAN HALE, *President.*

Boston, May 31, 1847.

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REPORT

OF

THE DIRECTORS

OF THE

BOSTON AND WORCESTER RAILROAD

TO THE STOCKHOLDERS,

AT THEIR

EIGHTEENTH ANNUAL MEETING,

JUNE 5, 1848.

BOSTON:
DUTTON & WENTWORTH, PRINTERS,
CONGRESS STREET.
1848.

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REPORT.

In the last Annual Report it was stated that the work of the Milford Branch Rail-road was then advancing, and it was expected that it would be completed before the end of the summer. One half of the branch was finished, and opened for use in August, and from that date two daily passenger trains have been regularly passing over it between Framingham and Holliston. The completion of the residue of the track has been retarded by a deep and difficult cut, the work of which could not be advantageously hastened, and it is yet unfinished. The grading of the line is now nearly completed, and the rails will be laid upon it in the space of a few weeks, and the branch will then be opened to Milford. The business which has been attracted to the branch, in its present unfinished state, is of sufficient amount to confirm the most sanguine anticipations which have been formed of its utility.

It was also stated in the last annual report, that an application had been made by the inhabitants of Brookline for the establishment of a branch rail-road to the centre of that village. The Directors, on hearing the representation of the applicants, and making such investigations as they deemed necessary for forming a judgment of the cost, and of the prospects of

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usefulness of such a branch, resolved on establishing it without delay. The work was completed, and the road opened on the 10th day of last April, by the establishment of regular trains, which daily carry a large number of passengers, and have apparently afforded a high degree of satisfaction to the inhabitants of the village. The entire cost of the branch is not ascertained, as several claims for land damages are yet unsettled.

In the report of the corporation to the Legislature, of January last, a statement is given of some large expenditures at the charge of the construction account of the road, in addition to those occasioned by the building of branches, which has been rendered necessary for affording suitable accommodation for the increased business of the road. The expenditures were demanded in part by the enlargement of the stations and warehouses, and in part for the increase of the locomotive power and means of transportation. An application was in consequence made to the Legislature, at the commencement of the last session, for authority to increase the capital of the corporation by adding to the amount of capital stock. It was not imagined that any objection would be made to the immediate grant of this authority, for investing an additional capital in a public improvement, which has contributed as effectually as any one, to the wealth and prosperity of the State and the city; when it was admitted that the expenditure thus far had been made in a manner highly satisfactory to the public, and it was manifest that the very large increased expenditure had been rendered necessary, by the recent increase of freight business on the road. But objections were

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made in the Legislature to granting the authority, and advantage was taken of the request, to deprive the corporation of a privilege which had been granted to it in its infancy, to enlist the public confidence in its favor, at a time when it was struggling for existence. The Directors are not aware of any motive which should induce any individual in the community, much less the Legislature of the Commonwealth, to desire to deprive this corporation of a power which it has never exercised, except to confer greater benefits on the public, than on the corporation itself. The branches which have been built, though hitherto productive of a profit hardly remunerative of the cost, bid fair to be ultimately beneficial to the corporation, by securing it against a hostile competition from branches from other roads, as well as by the increase of business; but that benefit can bear no comparison with that which has resulted to certain portions of the community, who are by means of them brought into immediate connection with the main road. The Legislature, in granting the authority for making an increase of stock, has accompanied it with the condition, that the right possessed by the corporation, of building branches, shall cease for the future, except in regard to branches which shall be located within the period of a year from the passage of the act. The Directors, not regarding the privilege thus taken away as of great moment, have recommended that the act should be accepted; and accordingly, at a meeting specially called for the purpose of acting thereon, on the 4th of May last, it was accepted by an unanimous vote of the stockholders.

The capital of the corporation, raised by authority of previous acts, amounted to $3,500,000. The cost

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of the road, consisting of a double track, and of its branches, including all the expenses of construction, land damages, stations, warehouses, engines, and cars, to the close of the last yearly account, on the 30th of November last, amounted to $4,113,609. To this cost some addition has been since made, and it will be further increased by the works now in progress, and which it is desirable to prosecute during the present season. For the purpose of covering this cost, and thus discharging the principal part of the debt of the corporation, the Directors have, in pursuance of the authority granted by the late act of the Legislature, and of the vote of the stockholders at their late special meeting, resolved to create 7,000 new shares of stock, which have been offered for subscription to the holders of the stock previously issued, in the proportion of one new share to the holder of every five. This additional stock will constitute a capital of $4,200,000. This may be regarded as a large capital in proportion to the length of the road; but if it be compared with the amount of business transacted upon the road, and the income which it affords, as shown in the annual returns, it will be found that, with one exception, it is lower than that of any other rail-road in the State. This capital represents the cost of the entire road and its equipment; together with all land and real estate of the corporation, whether appropriated to the uses of the road, or held for any other purpose. This amount is credited from time to time with payments made from income, for wear or depreciation of machinery, or other materials embraced in it, in cases in which such wear or depreciation is not made good, by the substitution of new materials for the old, without

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charge; so that the cost which represents any of the articles embraced in the account may not exceed their actual value.

The principal works now in progress are an additional freight-house in Boston, situated on the westerly side of the rail-road, between it and Lincoln Street, and additional tracks, commencing at Harrison Avenue, which will admit of the access of freight trains, at all times, to the parts of the station on both sides of the track, without obstructing the entrance and departure of the passenger trains. For effecting these objects, some large purchases of land were made during the last season. These purchases were made because the want of additional accommodation was becoming every year more urgent, and it was thought that in a short time it might become indispensable, even at a greater cost than was now required. Under these circumstances, it was thought inexpedient to defer the purchases until the necessity should become more imperative, as well as more apparent to competitors for the same purchases. The lands thus purchased are deemed sufficient to afford all the accommodation which the business of the road is likely to require for many years to come.

The Directors, in their two last annual reports, made allusion to a design of affording, at a future day, more adequate accommodations for passengers at the Boston station, by making an addition to the building heretofore erected for the immediate use of the Old Colony Rail-road. The purpose then formed, but postponed for future execution, was, to extend the building then erected to Beach Street, and to place in it two tracks, through its entire length, for the exclu-

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sive accommodation of trains preparing to depart from the city, with convenient apartments adjoining, and bordering on Albany Street, for passengers, ticket-office, baggage-rooms, and other offices. The Directors deem it desirable that this design should be carried into execution, as the present accommodations are entirely unsuitable for the convenient despatch of the amount of business, which is now concentrated at this station. But they leave it to their successors in office, to determine at what time, and in what manner, this important improvement shall be carried into effect.

Some important changes are required at the passenger station in Worcester, for establishing a convenient method of union with the Providence Rail-road recently opened, and with the Nashua and Worcester, which is likely to be opened in the course of the ensuing season. A negotiation is now pending with those parties, and with the Norwich and Worcester road, for making the necessary changes, for effecting the object above stated, and also for obtaining more room for the storage of engines and cars.

The improvement of the first laid track of the road, which was composed of rails weighing 40 lbs. to a yard, by substituting, for the original iron, rails weighing 64 lbs. to a yard, is now completed, with the exception of a length of about ten miles. It is proposed to complete the improvement during the present season, and an additional supply of iron, sufficient for the purpose, has been ordered. This will place the whole of the two tracks in a satisfactory condition for sustaining the heavy engines and loads which daily pass over it.

Some proceedings in reference to the establishment

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of further branches have been referred to in former reports. The restriction in the late act of the Legislature on the right of the corporation to establish branches, will make it the duty of the Directors to come to an early decision on these subjects. But the near approach of the annual election, at the date of the passing of the act, has induced the Directors to defer any further proceedings on these subjects, and to leave them to the determination of their successors in office.

The business of the road in both its departments, during the past year, has been highly satisfactory. The receipts of income for the twelve months ending on the 30th of November last, as exhibited in detail in the accounts reported to the Legislature, amounted to $721,170, affording a net revenue, after deducting all expenses of the year, of $340,185. The accounts of revenue from the passenger and freight departments, in the six months now just expired, exhibit an increase of more than $20,000 over that of the same period of last year.

By order of the Directors,

NATHAN HALE, *President.*

Boston, May 25, 1848.

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REPORT

OF THE

COMMITTEE OF STOCKHOLDERS,

MADE AT THE ANNUAL MEETING,

JUNE 5, 1848.

THE undersigned, a Committee appointed under vote passed at the last annual meeting of the Stockholders of the Boston and Worcester Rail-road Corporation, held on the 7th day of June, 1847, to examine the state of the road, the accounts of receipts and expenditures from time to time, and to consider the matters treated of in the annual report, with directions to report thereon at the next annual meeting, beg leave respectfully to

REPORT:

That, immediately after notice of their appointment, they held several meetings at the *Station* House, in Boston, for the purpose of learning the system on which the business of the road is conducted, and making themselves familiar with its details, and they have attended to the discharge of the duty involved in their appointment, by travelling over the entire length of the road and its branches, looking into its condition with as much care and minuteness as circumstances would allow; and your committee, in so

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far as they are able to judge, are satisfied that the road-tracks,—the bridges,—the drainage,—the station-buildings,—the engines,—the passenger and freight cars,—are all in good order and condition, and are such as its efficient and profitable workings require.

The interest of this corporation is so intimately connected with the business of the Western Rail-road, that your committee would have been glad to have given some time to a consideration of the manner in which it was conducted.

The attention of your committee was especially drawn to the arrangements made for the *safety* of passengers on the road, and they are happy in being able to express their perfect satisfaction with the prudence, care, and attention, which are bestowed on this most essential object, and which are required by the high interest of humanity—the honor of the Direction—and the reputation of the road.

Upon a careful examination of the report of the Directors to the stockholders, and of the matters treated of therein, none seemed to the committee of higher importance than the proposed enlargement of the passenger station at Boston. The number of trains which daily depart from, and arrive at, this depot, is fifty-two. Here is concentrated a large number of arrivals of persons, not only of this State, along the line of the road, and of the adjoining States, extending to the Far West; but, also, a large number of persons who daily arrive in this city from the East, and other places, for the purpose of taking passage over this road. It must be obvious to all, the necessity of proper and suitable accommodations for the convenience and comforts of those who go over the road.

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The committee suggest that, in the enlargement of the station, tracks should be laid for the outward-bound trains to depart, on Albany Street, distinct from those used for inward trains on Lincoln Street. Reference should be had, in the erection of the building, to suitable and convenient apartments for the reception of ladies and gentlemen, and to the accommodation of the offices of the company. These improvements and arrangements, the committee believe, will insure an increase of travel over the road, and make it a preferable route.

Another improvement at the passenger station, in Worcester, seems desirable that it should be consummated. It needs no argument to show the benefits which would follow the concentrating the passenger business of all the rail-roads terminating at that place.

A large amount of real estate in Worcester has been held by the corporation for a length of time, and has greatly increased in value; a portion of it will be found necessary for the uses of the company. The committee believe that such lands as may not hereafter be necessary for the accommodation of the increased business of the road may be sold, at a very great advance over the cost and interest. At present it is productive of income, and is daily increasing in value.

The real estate of the corporation in Boston, lying between Washington and Tremont Streets, not necessary for the company uses, and not productive of income, is of considerable value. The committee recommend that it be disposed of, when the state of the money-market shall be such as to admit of a sale on fair terms.

The subject of building branch rail-roads has for a

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length of time been discussed by the stockholders, and by the Legislature at the last session, and men of reputed sagacity and greater experience have at one period advocated and subsequently condemned them. The committee do not feel prepared, at this time, to pronounce a decided opinion.

In the subject-matter of the proceedings of the Directors for the past year—the building a branch rail-road to Brookline—the purchase of such lands as therein appear—the enlargement of the depot accommodations for the freight department,—and other important expenditures, the committee believe the Directors have exercised great good judgment and discretion, and that their arduous duties have been performed with fidelity and integrity, which has resulted very advantageously to the corporation, and beneficially to the public.

As to the management of the affairs and workings of the road by the superintendent, he has, by his most unwearied personal attention to the machinery and property of the corporation, and all the numerous and complicated details, as well as his experienced good judgment, merited our commendation. The regularity of the arrivals of the trains at both termini of the road, and at the several stations on the road and branches, shows the perfect discipline of the persons in the company employment.

The *comforts* and conveniences of the passengers are cared for; the cars are both elegant and commodious, and every way promotive of *comfort;* and the conductors, whose duties bring them in contact with the passengers, never permit their gentlemanly deportment to be disturbed by any emergency. Ladies,

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though unattended by gentlemen, can make the trip between Boston and Worcester, and to the different way-stations, with safety, and entire freedom from all apprehension of annoyance.

The ticket system is as perfect as any yet devised, guarding the company from loss, and shielding the agents from suspicion.

The committee have not been able to learn with precision from the Treasurer what was the annual amount of receipts and expenditures.

Before closing this report, the committee beg leave to suggest one or two subjects for the stockholders' consideration.

In all great corporations the owners of the property have a direct and positive duty, which may not be neglected with impunity. The experience of our country has demonstrated that the misfortunes which have befallen such corporations are attributable, for the most part, to the carelessness and neglect of the individual proprietors.

The committee would, therefore, in this connection, respectfully submit, that the time fixed for the annual meeting of the stockholders of this corporation is inconvenient for the discharge of the duties appertaining either to the stockholders or their Committee of Inspection.

The fiscal year of the corporation ends on the 31st day of May. The annual account of receipts and expenditures is made up to that time. On the amount of these receipts and expenditures depends the balance for dividend. It is only after this account is made up that the true condition of the corporation can be exactly known, or that the annual report of the Directors

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to the corporation can embrace the state of its affairs in detail. The by-law of the corporation intends that this report shall pass into the hands of the Committee of Inspection, to be by them examined; and all this must now be done, if at all, before the annual meeting, which is to be holden on the first Monday of June. Thus the accounts cannot be made up; the Directors' Report cannot be drawn, and submitted to the Inspecting Committee; and this Inspecting Committee, who are in the place of the stockholders, cannot sufficiently consider it to feel any confidence in their judgment, so long as these various operations are crowded into five or six days.

The committee have had free access to the Treasurer's books; they approve the method in which they are kept, and the exactness and fidelity of that officer.

They have the utmost confidence in the intelligent and faithful Direction, under whose prudent administration the corporation has flourished. They have good reason for this confidence. But confidence is one thing, and examination is another.

And this committee are impressed strongly with an opinion, that in every corporation where large sums of money are handled, and where a large discretion is intrusted to a Board of Directors, an annual examination of the affairs of the corporation should be made by a Stockholders' Committee, and *should not be a mere matter of form.*

There is another and very strong reason which operates on the minds of the committee in this connection. They believe the present condition of the corporation to be prosperous and productive, beyond any former year of its existence, and that its prosper-

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ity can be maintained and increased. But the policy of the corporation in regard to new works, further accommodation, and consequent increase of its capital stock, is yet to be settled.

Its capital, originally $1,000,000, is now $4,200,000. Shall the corporation go on, as it has done, trusting to circumstances, or determine beforehand when and where to stop? Shall the question be, for the future, as in the past, left to the sound judgment of the Directors, or be decided by the stockholders themselves?

The addition of $700,000 to the capital, and a right to make the increase a million, with the loss of the power to make branches, is the great financial feature of the current year.

The work was done, and the debt incurred, before the act of the Legislature was submitted to the consideration of the stockholders. It was accepted by the unanimous vote of all persons present at the special meeting called for that purpose, and among them each member of your committee. Nor can it be doubted that the expenditure was judicious, and the vote right.

In view of the constantly increasing income which has already been realized, surpassing our most sanguine expectations, the mode of government for the immense business of the corporation requiring intelligence and time, forethought and calculation,—the committee express their conviction that the corporation will continue to give satisfaction to the stockholders, and cause its prosperity to be identified with, and be an integral part of, the prosperity of the whole people.

The committee gratefully acknowledge their obliga-

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tion to the officers of the company for the facilities afforded them in the discharge of their duties.

In conclusion, the committee would take occasion to say, that, from their knowledge of the fidelity and energy of the Directors, and all the officers of the company, in the fulfilment of their several duties, and their devotion to the interest of the corporation, cannot be too highly commended.

TIMOTHY C. LEEDS, *Chairman,*
Committee of Stockholders.

Boston, June 5, 1848.

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REPORT

OF THE

DIRECTORS

OF THE

Boston and Worcester Railroad,

Presented at the Annual Meeting of the Stockholders,

JUNE 4, 1849.

TOGETHER WITH A REPORT OF THE COMMITTEE OF STOCKHOLDERS PRESENTED AT THE SAME TIME.

PRINTED BY ORDER OF THE MEETING.

BOSTON:
1849.
EASTBURN'S PRESS.

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REPORT OF THE DIRECTORS.

SINCE the last annual meeting of the Stockholders, the agreement between this Corporation and the Western Railroad Corporation, determining the principles for the regulation of the joint business on the line of the two Railroads, has been renewed, with some modifications, for a further period of three years from June next, and until it shall be terminated by notice from either party, of its dissent to its further continuance, to be given in writing to the other party, six months previous to such termination. In pursuance of a similar provision of the former agreement, notice was given on the 8th of September last, by the Directors of the Western Railroad, of their desire to terminate that agreement on the expiration of six months from that date; and in consequence, conferences were held between committees of the two Companies, for entering into a new contract. The conferences terminated in an arrangement, which was ratified by the two Boards, consisting substantially of a renewal of the stipulations of the former agreement, but with two modifications of some importance, advantageous to this Corporation.

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The former agreement having been based on a concession, by this Corporation, of a rule of partition of expenses and income on the joint business, more favorable to the Western Road, than an equal division, in proportion to the distance of transportation on their respective roads, on the ground that that Company was entitled to a higher rate of compensation, on account of the greater cost of the Road, and of transportation upon it, in proportion to its amount of business; it was maintained on the part of this Corporation, in the negociations for a new arrangement, that the larger proportional increase of the business of that Road, since the date of the former agreement, justified the demand, of a slight abatement of the advantage conceded by that agreement, to the Western Road. Your Directors are of opinion that the rule of division recognized by the agreement, based on the principle above alluded to, although liberal towards our sister Corporation, is one which should be satisfactory to this Corporation, as it establishes by mutual agreement, a convenient mode of transacting the business of so long a line of communication, highly acceptable to the public, which consequently insures a large patronage to both Roads, at rates of compensation, which, on the amount of business likely to be attained, will afford a liberal income on the large capital invested.

It has been stated in former reports, that, for the proper accommodation of the freight business of the Road, now amounting to an average of nearly a thousand tons a day, a large expenditure, and a consequent increase of capital, has been rendered necessary within the last two years. In addition to the necessary increase of buildings for storage, and of tracks for the movement of cars, requiring an exten-

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sive purchase of land, it was equally indispensable to increase the number of locomotive engines, and of freight cars; and to the cost of these enlargements is to be added that of taking up the original track of the Road, which was built of rails weighing forty pounds per yard only, and of laying down rails corresponding in strength with those of the second track, weighing sixty-four pounds per yard, and adapted to the weight of engines and loads, now daily transported over the Road. This improvement was found necessary, as well from considerations of economy, in diminishing the cost of repairs, as from a regard to the safety of persons passing over the Road.

It was a natural consequence of the progressive character of the business of this Road, (the increase having been four fold in the space of eight years, both in the amount of tonnage, and the number of passengers,) that repeated additions should be demanded, to the means of accommodation, at the principal station in this city; and that every increase should be made at a cost disproportioned to the original outlay, in consequence of the increasing value of real estate in the vicinity of the station.

In the local business of the Road, this increase has been uniform, in every successive year, for more than ten years past, not excepting even the last year, notwithstanding the depressed state of the general business of the country. But the transportation of merchandise upon the Western and Norwich Roads, particularly of agricultural produce from the West, is more affected than that of any other merchandise, by the fluctuations of foreign trade; and in this branch of the freight business last year, there was some falling off, compared with that of the preceding year.

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It should be observed however, that the earnings of the freight transportation upon the Road, in 1847, exceeded those of any preceding year. It was this extraordinary increase, calling for relief from the crowded state of the freight houses, as well as the propriety of obviating every well grounded complaint of insufficient provision, both for the safety and the convenience of the public, which rendered it unsafe longer to delay the additional expenditures above referred to. In these expenditures, as well as those made on some former occasions, it was deemed expedient to make provision for accommodation, somewhat in advance of the actual necessities. The present capital, together with the cost of completing the works now in progress, is consequently adapted not only to the present year's business, but to that which may be anticipated for some years to come.

The expediency of another branch of the expenditures has also become obvious, viz: the construction of the Lower Falls, Milford, Brookline, and Framingham branches. These branches, coming within the limits of the authority granted to this Corporation, and urgently solicited by the enterprising population of the places to which they respectively lead, not only promised a large increase to the business of the Road, but they were obviously indispensable, for the preservation of a large portion of the business which the Road already enjoyed. It was apparent that if this Corporation did not avail itself of the power, which had been granted to it by the Legislature, of securing the business of these places by means of branches, it was in the utmost hazard of being taken away from them, by branches leading to the city over other Roads.

The success of these branches thus far, it is

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believed fully proves the wisdom of the policy which has been pursued. Those which are completed, have undoubtedly prevented the construction of rival routes, and they have besides brought a large increase of business to the Road. This business is steadily increasing, and the branches promise to afford an important accession to the permanent income of the Corporation.

In consequence of the expenditures required for these improvements, together with others of an earlier date, such as the raising of Tremont Street, and the enlargement of the way stations, and in consequence of the manifest impolicy of forcing into the market a large quantity of land, not required for the service of the Road, which had been purchased at various periods, for the purpose of avoiding excessive damages in the necessary changes of streets, and in dividing estates; it was determined by the Directors, at the close of 1847, to apply to the Legislature, for authority to increase the capital stock, then amounting to $3,500,000 to $5,000,000. That amount was deemed sufficient to cover, the amount of property which it might be desirable for the Corporation to hold, for the final completion of the Road, with all its branches, and in the improvements which it was anticipated would be required for placing the entire Road in a condition to satisfy the wants of the public, in a manner to afford the best income on the capital so invested. On presenting the petition for this increase of capital, it met with opposition from a portion of the Legislature, and it was resolved to reduce the amount of increase then asked for, to $1,000,000. This increase, after opposition and delay, was granted, and the increased capital, as has been stated in former reports has been

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raised. It will be perceived from the statement which will be presented of the finances of the Corporation, that for the purpose of completing the works now in progress, and those deemed expedient for carrying out desirable improvements, and of paying up the entire debt of the Corporation, without any sacrifice of property, by premature sales of lands, the additional increase, proposed as above, will still be necessary.

It is a necessary consequence of this increase of capital, that there will be a diminution of dividends until the income shall increase, and the expenses diminish in a like proportion. This result was felt in the last dividend, compared with the two preceding dividends, which had resulted from the extraordinary increase of the business of the preceding year. It will probably be still more severely felt in the dividend of the current six months, for although as has been already stated, there has been a gradual increase in the local business, which forms its most reliable resource, and which promises to continue steadily for a long period to come, from the rapid growth of an enterprising population in every town through which the route passes, and which are reached by the branches, the increase of income from this source could not be expected to be, at once, commensurate with the proportional extraordinary increase of capital, incurred for the objects above stated. There has also been, as already stated, a small actual diminution in the amount of gross income, arising from a reduction in the branch of business, which is more subject than any other, to the fluctuations occasioned by the changes, in the demands for foreign trade.

Such a diminution, as it may be made up in a future year by a corresponding increase, in the course

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of the ordinary fluctuations in trade, cannot be justly regarded, as indicating a diminution in the permanent value of the property of the Corporation.

There may be Stockholders who will regard it as betraying a want of good judgment, to make so large an investment in providing for a large increased business, subject to the contingency that some years might elapse before the increased accommodation should become necessary. Those who thus judge cannot have considered the consequences of delaying the purchase of property for the proposed improvements, until it should have fallen into the hands of persons disposed to speculate on the obvious necessities of the Corporation, nor the hazard of incurring the just censure of the public, for an insufficiency of accommodation for an important portion of the business of the Road. Nor can they be fully aware, of the influence which any remissness in this Corporation, in furnishing all reasonable accommodation for the business of the Western Road, might justly have had, in preventing a renewal, on satisfactory terms, of the agreement for regulating the joint business of the two Roads, or in giving occasion for a renewed application to the Legislature, adverse to the rights claimed by this Corporation, similar to that which was made by that Corporation in 1846. It must be obvious that the policy of these measures is not to be judged, solely, by their effect on the immediate income and dividends, but by the advantages gained, from placing the investment of capital on the firm basis of a satisfactory accommodation to the public. With this security, there can be no doubt of a liberal permanent income, on the entire cost of the Road, in its improved state, increasing with the accelerated in crease of population, in the towns through which

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the road passes, and made safe against competition by the superior character of the accommodations afforded.

It is on these grounds, that the Directors rely for a full justification of the policy, which has demanded a large increase of capital, at the cost of a necessary present diminution of income, especially under a stagnant state of the general business of the country. It is only necessary to recapitulate the objects of the increased expenditure, to show that the permanent interests of the Road would have been sacrificed, had these improvements been postponed to a future period, in the expectation of meeting the cost, without a temporary reduction of dividends. These objects were, the purchase of lands adjoining the freight stations, sufficient for present accommodation and future extension—the erection of the buildings already necessary—a liberal supply of locomotives, and of freight and passenger cars, sufficient to meet, not only the certain, but contingent demands of business—rebuilding the whole of the track first laid, with heavy and costly rail, similar to that of the second track,—placing the entire line of the double track, as well as of branches, in the best condition,—and adding such branches as were necessary, for securing to the Road the business of towns, which can be better accommodated by it, than by any other route, and which is necessary for sustaining the proper income of the Road.

A portion of the works projected in pursuance of this policy remains to be executed. The most important of these is the completion of the original track with heavy rails in the manner above stated. Preparations for this work were made the last season, and a contract was made for the iron necessary

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for it, to be delivered in thiscity. But the contract failed, in consequence of the loss of a large cargo of iron, having been improvidently shipped in a single vessel, and the work was necessarily postponed to the present year. No loss was suffered by the Corporation, except the injury from delay. A large portion of the iron to supply the loss is now received, and the residue is purchased, and mostly already shipped; together with an additional supply, sufficient to reconstruct a small portion of the second track, which was built of a rail but a little heavier than that of the original track. Every preparation has been made for laying down this iron. The quantity now purchased is sufficient to complete the construction of both tracks, though the whole length of the main Road, consisting of rails weighing sixty-three or sixty-four pounds per yard, fastened at the joints by strong chairs, firmly driven upon the ends of the rails, and each rail of six yards in length, resting upon seven substantial cross ties. The Road thus constructed is believed to be one of the firmest and most durable in the country.

The work of the Framingham branch has been for some time under contract, and it is now going on in a satisfactory manner, which will ensure its completion in a short time. A portion of the iron, about to be taken up from the old track, will be used for this branch, it being of sufficient strength for a track designed for light engines and trains.

There are two other improvements, which have been for some time meditated by the Directors, but which have been postponed, on account of the more pressing nature of those above specified. These further improvements will be required to be carried into execution, before the Road can be re-

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garded as complete. One of them is the enlargement, and more convenient arrangement, of the passenger station in this city, by the erection of a new front on Beach Street, and the extension of the buildings on Albany Street. It has not been proposed to press the erection of these buildings at present. The other improvement required consists of a material change in the arrangement of the passenger station at Worcester, in a manner to afford a more convenient union with all the Railroads terminating in that city.

In the Annual Report of the Directors to the Legislature, made in January last, copies of which were printed for distribution to the Stockholders, a particular statement was given of the object of the expenditures, and of a large amount of property which has been acquired in the prosecution of some of the most costly improvements above named, for the purpose of being resold. Sales have been postponed from the impolicy of pressing them on the market, until there shall be a renewal of a demand for lands of this description. Although a large portion of these lands are at present unproductive of revenue, they are acquiring an increased value, by improvements which are steadily going forward on adjoining lands. Gradual sales of them hereafter, in proportion as a demand for them may arise, may be relied on, as an ample resource for accomplishing such minor improvements as may be required for the perfection and embellishment of the Road, without any further increase of capital, than will be required for completing the works now in progress.

The report above referred to contains also a statement of the condition of the finances, at the close of the financial year, on the 30th of November last.

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The accounts for the current six months not being closed at the date of this report, an approximate statement only of liabilities and assets is presented.

Capital Stock paid in, - - -	$4,500,000 00
Balance of debts, including income of the current six months—about	460,000 00
	$4,960,000 00
Construction account, including the Road and its equipment, lands and buildings of every description, engines, cars, machinery, tools and fixtures of every kind, together with stock of iron, fuel, oil, materials of the repair shops, &c., - - - - -	$4,960,000 00

The earnings of the road form the two principal branches of income,—viz., the transportation of passengers and of merchandize, during the year, ending on the 30th November last, amounted to $688,068; and during the preceding year to $664,098; showing an increase in the year of $23,970; notwithstanding a considerable falling off in one of the largest, though least profitable, branches of the freight business from the cause already mentioned. The deficiency was more than made up, by a small increase in the local freight transportation, and a larger increase in the passenger receipts.

According to the weekly reports of income for the last twenty-five weeks, there has been a small increase in the income from passengers, but a larger decrease in the freight, making a diminution of $11,811 in the aggregate income of the last six months thus far, compared with that of the corres-

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ponding period of last year. No report has yet been made of the expenses of this period. No extraordinary expenditure of any magnitude has occurred.

In compliance with the vote of the stockholders passed at their last annual meeting, application was made by the Directors to the Legislature, at their last session, for the passage of an act to change the day, on which the annual meeting of stockholders shall be held hereafter, from the first Monday in June to the first Wednesday in February. An act making the proposed change was accordingly passed. The election of directors next to be made will consequently be for a period of eight months only.

By order of the Directors.

NATHAN HALE, *President.*

Boston May 21, 1849.

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SUPPLEMENTARY REPORT OF THE DIRECTORS.

Since the adoption of the foregoing report, which was prepared, in obedience to the vote of the stockholders, requiring that the report should be communicated to their committee two weeks previous to the annual meeting, the Directors have completed a negotiation which had been for a long time pending, both with the Norwich and Worcester, and the Nashua and Worcester Companies, for establishing the basis of a better plan of union, between this Road, and the other Railroads which terminate in the city of Worcester. For the purpose of facilitating the arrangement for this object, which has been at length in part accomplished, the Norwich and Worcester Company, obtained from the Legislature, at their last session, the passage of a resolve, authorizing the sale of a portion of the lands which had been purchased, on the establishment of that road, for the passenger and freight stations; and authorizing the release of the lien which the Commonwealth holds upon it, for the security of the state loan to that Company, and also a similar release of a like encumbrance on such portion of their road track, as it may be necessary for them to convey, for completing the plan of union with two other railroads, which have not yet acceeded to the arrangement.

For accomplishing the union of these Railroads,

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in a manner to promote the convenience both of travellers and of the several corporations, it is necessary, not only that each road should be provided with passenger stations in the vicinity of one another, but that there should be connecting tracks, by which trains of both passenger and freight cars, may pass from each road to the other, under regulations securing the interest of each.

It having been found impracticable to accomplish this object, by an arrangement for a joint ownership of the necessary tracks, and this Corporation having been from the original establishment of the road, owners of about half the land, required to be appropriated to the maintenance of a double connecting track, between the five Railroads terminating in Worcester, the only obvious method of accomplishing the object at the present time, or of ever securing its accomplishment at any future day, was for this Corporation to provide the necessary tracks, at its own cost; at the expense of purchasing for the purpose, a tract of surplus land, heretofore owned by the Norwich Company, under an agreement for a joint use of the said tracks, on reasonable terms, by all the parties who should come into the arrangement.

The terms of such arrangement have been at length agreed on, between this Corporation and the Norwich and Worcester, and Norwich and Nashua Railroad Companies, subject to the condition that the Western and Providence Companies, whenever so disposed, may become parties to it, on the same terms, provided they acquire the right of approach thereto, which each of them may obtain by the purchase of one third part of the Road bed of the Norwich Road, from the point where these respective Roads strike that Road—the Road bed of the Nor-

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wich Road in that part being of ample width for three independent tracks.

For the completion of this arrangement, a purchase has been made by this Corporation from the Norwich Company, of about 40,000 feet of land—reserving to that Company, what is necessary for its own passenger and freight stations—but embracing the space required, in addition to the land previously owned by this Corporation, for the connecting tracks; together with one of the most valuable sites for business in the city of Worcester, which may be sold—should it not be required for accommodating the Companies which may hereafter become parties to the arrangement. The terms of this purchase are ninety cents per square foot; accompanied with conditions which are of value to this Corporation.

Another branch of the arrangement consists of a sale by this Corporation to the Nashua Company, of a tract of land embracing 20,000 square feet, for the passenger station of that road. This track adjoins the passenger station of this road, and it will be covered by the same roof. It is mutually agreed, that passengers on either road shall be allowed freely to pass through the stations of the other, with their baggage, for the purpose of entering the train of either. This sale is made on conditions advantageous to the Nashua Company, on the same terms as the purchase from the Norwich Company, with the exception, that for a portion of the land which is low, an allowance is made for the cost of filling it with earth, to the level of the Railroad track.

In addition to this purchase and sale, an agreement has been made by this Corporation, by indentures with each of the above named companies, to lay down a double curved track, connecting the Nor-

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wich and Worcester Road, with the Boston and Worcester, and the Nashua and Worcester, at points below their respective passenger stations, for thetransfer of either passenger or freight-trains, from each road to the others, including also the Western and Providence roads, should those companies choose to become parties to the arrangement. It is further agreed that this double connecting track shall be permanently maintained, and kept in repair, by this Corporation; in consideration of which it is to receive a compensation, from all the parties using the track, in proportion to their respective shares, from time to time, of the trains transported by each, amounting in the whole (including the proportion of this road) for rents, repairs and insurance, to 8 per cent. on the cost of the land appropriated to the uses of the joint track, at the rate of the above mentioned purchase, together with the cost of track fixtures and buildings if any. Necessary and proper regulations, for the joint use of the tracks and fixtures, to be equal and reciprocal in their application to all the parties, are to be made by this Corporation, which is to enjoy no privileges in the use of the joint tracks and fixtures, which are not enjoyed in common by the other parties.

By this arrangement, a convenient union is effected between this road and all the roads terminating in Worcester, should they see fit to avail themselves of it, and also with the trains of the Worcester and Fitchburg, and Worcester and Barre roads, whenever those roads, for the accommodation of the northern parts of the county of Worcester, shall be completed. It is an arrangement which it is believed will prove satisfactory to the whole of that portion of the travelling public, who may have occasion to

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pass over a connected line of any two of the seven distinct Railroad routes, uniting at this important point, in the centre of the Commonwealth. It is therefore important to the interests of this road, for the accommodation which it affords to those who use the road, and it is believed that it will prove equally advantageous to those who travel on the other roads. It is attended also with the further advantage to this, and the Norwich Corporations, of attaining the contribution of other parties, who are thus admitted to the joint use of the connecting tracks, towards the cost of maintaining them, which cost has hitherto rested exclusively on these two Companies. It will also enable this Corporation to fix on some system of final arrangement of their station in Worcester, which will permit them to dispose of their valuable surplus lands there, without the hazard of interfering with the future wants of the Corporation.

The Directors have recently passed over the road, and its branches, for the purpose of inspection, and found it for the most part, as well as the station buildings, in a good state of repair, with the exception of those portions of the Road, on which the heavy rail remains to be laid. The laying of the rail is now rapidly going on, with the prospect of its being soon completed.

By order of the Directors.

NATHAN HALE, *President.*

Boston June 4, 1849.

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REPORT OF THE COMMITTEE OF THE STOCKHOLDERS.

The Committee of the Stockholders have attended to the several subjects referred to them, and Respectfully Report:

That the structure of the Road and its branches appears to be in excellent condition, the engines, cars, and other equipments in good order, and all arrangements for the safety of the passengers and security of the freight judiciously made, and they believe carefully observed.

The amount of business done on the Road, though necessarily fluctuating, answers all reasonable expectation, and the Committee are unanimously of opinion, that this magnificient enterprise, in which a capital is invested now approaching $5,000,000, is deserving the confidence of the public and the proprietors.

The accounts are kept in a strictly mercantile style, according to the Italian method, of book-keeping by double entry, but there are American improvements to this method so far as Railroads are concerned, which might be introduced.

A more complete separation of the receiving and disbursing departments, and a more speedy means of ascertaining at any given time, the true state of affairs, are believed to be practicable, and are suggested as worthy of attention.

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In the accounts of the financial year ending 30th Nov., 1848, an entry was made in the following words:

"Construction to Interest, Charge of Interest purchase of land not producing an income, but increasing in value, on $303,545 00,— $18,212 70."

The Committee doubt the propriety of such an entry.

In November, 1847, the surplus fund amounted to $19,910 49. By reason of the dividend in January 1849, it was reduced to $4,490 80. The Committee are of opinion that the interest of the Corporation requires that this fund should be increased.

The Construction Account exceeds the amount of Capital authorised by law, consequently the Corporation is in debt.

This subject forms an important part of the Directors Report, the consideration of which is especially submitted to this Committee.

The Committee are of opinion that no debt should be incurred beyond the funds provided by the Stockholders. Sooner or later they must be consulted as to the Ways and Means, and it is safer and wiser to consult them before expenditures are made than afterwards.

But in regard to the progressive magnitude of the works, and consequently the increase of the capital stock of the Company, the Committee are aware that it has not been altogether a matter of choice.

In the first annual report by the Directors in the year 1832, it was estimated that the business to be done might amount to the annual transportation of 30,000 tons of freight, and 54,000 passengers; that the Road would not cost over $1,000,000, and that all charges for repairs, attendance, and transporta-

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tion, including fuel, wear of engines, cars, &c., would not exceed $34,148 per annum.

But all calculations and estimates were at fault. The business of the last year averages nearly one thousand tons of freight per day; 807,143 passengers were carried over the Road, amounting to 15,540,000 miles. As a means of meeting this mighty influx, works have been erected at a cost of $5,000,000. The expenses have risen to $400,000, and the gross income to $700,000 for the year.

Some persons have been alarmed at the building of branches, and purchases of land. There is room for an honest diversity of opinion on this subject. But it is certainly true that these branches are like buttresses to a bridge, very serviceable for the security of the main building; and the land, if not absolutely required for the use of the Company, is a valuable property, and some of it is growing more so.

It is proper to remember that the Boston and Worcester Railroad was among the first erected in this Commonwealth. It was the pioneer of a new enterprise, which has exceeded all calculations, and all limits of the most bold prophetic vision of the most enthusiastic of its projectors. In view of the results seen on this and other great combinations of steam and iron, no man may now predict what is to be the condition ten years hence of the population, and traffic of the Country, in relation to these thoroughfares. Much less may he reproach our Corporation for errors, which other institutions have avoided only by the benefit of our experience.

These considerations may reconcile the Stockholders to the necessity which cannot be disguised, of a future issue of new shares, which according to the Directors report, "will cause a diminution of divi-

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dends until the income shall increase, or the expenses diminish."

The income will increase, and as this Committee believe very soon reach a million of dollars. What may be the diminution of expenses will depend on the economy with which the affairs of the Road are conducted.

Another important part of the Directors Report, relates to the renewal for three years of an agreement, with modifications favorable to this Corporation, for conducting the joint business of the Boston and Worcester and the Western Railroads.

Your Committee are satisfied that the agreement thus made is the best that could be amicably concluded, and they approve the disposition of the Directors, in yielding something of strict right, for the purpose of meeting the convenience of the public, and avoiding another controversy with a Corporation in which the Commonwealth is deeply interested.

The Committee cannot close this Report without adverting to the fact which has been officially communicated to them, that the President of the Corporation, who from its first organization has devoted his peculiar talents to its service, and given to it all the strength of that entire confidence which is justly reposed in his high character, declines a re-election.

Not only this Company but the entire Railroad interest of New England is largely indebted to Mr. Hale, for his early, intelligent and persevering labors in this great enterprise, which has changed the business and the social relations of our Country.

This Corporation had the especial advantage of his sound judgment in its organization, and in all the arrangements which were made for the erection of the Road, and for the commencement and conduct

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of a new business then surrounded with immense difficulty. It has proceeded under his administration with steady progress and uniform success to its present gigantic power.

This progress and success, to which he has eminently contributed, is an enduring monument of his fame, and the records of the Corporation will preserve the perpetual evidence of his claim to their profound gratitude and respect.

By order of the Committee.

JAMES T. AUSTIN, *Chairman.*

June 2, 1849.

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COMMUNICATION FROM NATHAN HALE, ESQ., LATE PRESIDENT OF THE CORPORATION.

To the Directors of the Boston and Worcester Railroad.

GENTLEMEN,

The report of the Committee of Stockholders, which was submitted at the late annual meeting, contains comments upon some of the important financial measures of the Corporation, within the last two years, which appear to me to demand some reply, on the part of the late Board of Directors.

The general tenor of the report, in its reference to the condition of the Road, to the arrangements for the proper discharge of its functions, and to the success with which it has been made to accomplish more than the anticipations of its founders, negatives the idea of a disposition, on the part of the Committee, to cast any censure upon the proceedings of the late Board. The Committee also, in their reference to my personal agency in the administration of the affairs of the Road, have made an estimate of my services, far beyond my own sense of their merits, and have acknowledged my devotion to the interests of the Corporation, in terms so courteous and complimentary, as to demand from me the expression of my warmest thanks, on this only occasion likely to be afforded me, of making the acknowledgment.

Notwithstanding these general expressions of the approbation and confidence of the Committee, I cannot permit myself to overlook the fact, that the comments above referred to, imply a charge of great mismanagement of the affairs of the Corporation,

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and that they tend to give an erroneous impression of the state of its property and accounts. I therefore feel it my duty to present the following remarks, in vindication of the proceedings of the late Board of Directors, for the information of your Board, and to request that they may be published for the information of the Stockholders.

The principal point in the Committee's report, to which I wish to advert, is their remark in reference to a charge, in the accounts of 1848, of $18,212 70, to the "construction account" for interest on $303, 545, it being the value of lands embraced in that account "not producing income, but increasing in value." The Committee say that they "doubt the propriety of such an entry." This doubt of course implies a belief, that the amount so charged for interest, should have been made a charge upon the income of the year, and of course deducted from the dividend.

I regret that I had not been allowed the opportunity to explain to the Committee, the nature and condition of the construction account; in which case I do not question that their doubt would have been removed, and that they would have been satisfied that this charge of interest was properly made to that account.

The "construction account" is that which embraces the entire permanent property of the Corporation, including the Road itself, and all its structures, lands, and buildings, of every description, with the engines, cars and tools. In this account are entered all lands, at their cost, purchased either for the Road, for passenger stations, and freight accommodations, and for all other purposes. In these purahases are included, as has been repeatedly stated in various

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reports, a large number of tracts of land, not immediately required for any use by the Corporation, but obtained in part at a very low cost, and all at a cost less than their present value. Whenever any of these lands are sold, the account is credited with the entire proceeds, as well as with the proceeds of any other property sold; and any depreciation or decay is made good, by substitutes charged to the account of in- of income. All the lands purchased as above, I believe lieve without an exception, are worth more at the present time than their cost, including interest. Some of them have been already sold at a great advance in and price, others might be sold at this time, were it exdient, at a large advance on the cost and interest. It appears from a statement furnished by the Treasurer, that sales have been already made, credited and to be credited to this account, to the amount of $104,307. Of this amount, the sum of $65,130, consists of sales which have been made since January, 1846, of which at least one half is net profit, over the entire cost of the same lands including interest from the time of their purchase.

So long as the capital of the Corporation was sufficient to cover the whole of the purchases, including as well lands wholly demanded for the use of the Corporation, as the accidental surplus, it was not deemed necessary or expedient, to make any charge to the construction account for interest, on the portion of those purchases which afforded no income; although it was then apparent that the lands had increased greatly in value. But since it became necessary to purchase in 1847, several large tracts of land, for the prospective increase of the freight accommodations, thereby increasing the debt of the Corporation, by a large addition to the construction

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account, and involving a heavy charge of interest, it became proper to consider whether this charge belonged properly to the income of the year; or whether it was a proper charge on the property itself, which although producing no income, and not designed for immediate use, was in part indispensable for future use, and was, in the whole, manifestly increased in value, far beyond its cost.

The only doubt which could exist in regard to such a question was, whether the expenditure should be met in the shape of a charge to construction account for interest, or whether a portion of the proceeds of land sold, or other credits to that account, should be applied to it; for it was apparent that this payment of interest had arisen, solely, from the increase of the permanent property represented in the construction account—and that the account was not only enriched by this increase of property, but had been enriched previously, by the increased value of the property embraced in it, and by large credits from sales, and from other sources, to an amount far beyond the present charge. These credits received from time to time, would exceed any accumulation of interest, were it increased by the addition of every year's interest.

I was clearly of opinion, on the making up of the dividend account in December last, that it would have been highly improper, to make this portion of the interest on the debt of the Corporation, a charge on the income of the year; and that the construction account, which is credited with the entire proceeds including profits, of all land sales, was the only proper fund to which the charge should be made, of the interest actually paid, on an amount of debt,

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equal to the value of the land so held, for future sale or use, and not producing income.

The estimated value of lands so held, was found to amount to $303,545, and accordingly the sum of $18,212 70, as stated in the Report of the Committee, was charged to the account of construction, and there remained, in consequence of the heavy debt, arising from the large purchases, and other expenditures, of the preceding year, a balance of $24,286 30, chargeable to the income of the year.

The Committee in their judgment of this transaction, appear to have regarded this charge, of interest to the construction account, instead of charging it to the income of the year, as equivalent to a payment of dividend at the expense of capital. This assumption I have shown to be unfounded, unless it can be supposed that the Directors were mistaken in their judgment, that the lands were increasing in value, to an amount equal to the accruing interest, and unless it also be supposed, that the statement made above is erroneous, that the actual sales, of a small portion of these lands, within the last four and a half years, show a net profit to the Corporation, credited to the construction fund, much exceeding the entire charge of interest in question. Neither of these suppositions is admissible, in the absence of proof, or even assertion to that effect.

If it were necessary, it would be easy to show, that so far from any dividend of capital being made, at the expense of the construction account, that account is more than made good, by a variety of other credits from time to time, to a large amount Should an investigation be deemed expedient, I am fully assured that the account will bear the test of the strictest scrutiny.

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Another remark of the Committee, which I also attribute to imperfect information of the state of the accounts of the Corporation, is that which expresses the opinion, that the interests of the Corporation require that the surplus fund should be increased. The fact is, that there is no surplus fund. There has never been any under that name. On the making of the early dividends, before any renewal of sleepers and other decaying materials had been required, a reserve was made annually to meet the estimated value of the depreciation, until it amounted to about $50,000. This reserve was subsequently applied to the renewal of sleepers and other repairs, which have been since made from time to time to an amount fully equivalent to all decay or depreciation. It has been the opinion of the Directors hitherto, that no surplus fund is required. What stands in the place of a surplus fund, is the construction account, which, as I have stated, stands credited with the entire increased value of all the real estate, and other property of the Corporation, and with the entire sales of all lands, including profits. It is also credited with profits on sales of stocks, and interest on deposites, to an amount exceeding $10,000; and the various branches of property including the road, bridges, engines, cars, tools, and machinery, are made good by repairs, substitution of new for old, or credits to make good depreciations, at the charge of the income account, from time to time, with a view to the scrupulous maintenance of the entire value of the property, to an equality with the value at which it is represented in the construction account. There, is therefore, no need of a surplus fund, because there is no deficiency to be provided for, and if any margin is necessary for contingencies,

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omissions, or errors of judgment, that margin is found in the unquestionably large increased value, not merely of the very large real property, appropriated to the uses of the Corporation (which may be safely in this point of view thrown out of the account) but of the surplus lands of the Corporation, which are held for the purpose of future sale, whenever their actual value can be realized; it being first ascertained, before such sale, that they will not be required for affording accommodation to the further expanding business of the road.

For these reasons it has not been thought useful to create a surplus fund, although for special reasons, it has been deemed expedient, to retain a greater or less undivided balance, but never to such an amount as to depart materially from the rule of dividing semi-annually the entire and undoubted net income of the capital invested. I have never heard any good reason suggested, for deviating from this practice.

In regard to the further opinion expressed by the Committee, "that no debt should be contracted beyond the funds provided by the Stockholders," I beg leave to remark, that the Corporation are not restricted by law, or any usage in the Commonwealth, to such a rule, in the contracting of debts; and that the charter in investing all the powers granted to the Corporation, in the hands of the Directors, which should be necessary and proper for constructing and completing the Road, purchasing land, engines and cars, and providing for the transportation of persons and merchandise on the Road, without restriction, undoubtedly not only invests them with the power to contract debts for that purpose, but makes it their duty to do so, whenever ac-

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cording to their judgment the interests of the Stockholders will be promoted thereby. It is true the capital stock cannot be increased, beyond a limited amount, without the consent of the Legislature; and the Legislature very properly authorizes, such an increase only on condition of the consent thereto of the Stockholders. But the propriety and expediency of an increase of debts, beyond the existing capital, at any time, must depend upon the exigency of the demand for increased expenditure, of which the Directors, if competent to manage the concerns of the Corporation, ought to be the best judges; as their situation gives them the best means of judging, and they cannot but act under a sense of deeper responsibility, while representing the entire Corporation, than individual Stockholders, representing only their private interest.

In the several cases in which the Directors, of this Corporation have made important enlargements of the works and property of the Corporation, for meeting the increased demand for accommodation, from time to time, the Stockholders heretofore have cordially approved such increase, and the result in promoting an increased business and income, beyond the proportion of increased capital, so far as there has been an experience of sufficient duration to afford an adequate test, has fully justified the policy of such increase. In regard to the recent improvements, demanding an increase of capital, to an amount of $5,000,000 although it is with regret that I differ in opinion, from the Committee of Stockholders, who think that such improvements should not have been undertaken, until the consent of the Stockholders and the Legislature, had been first obtained, I entertain a confident opinion, that experience will show those im-

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provements to have been among the wisest measures of the Corporation; and that had the Directors delayed the adoption of the proposed measures, until they should have demonstrated to the Legislature and the public, that they were indispensable to the interests of the Corporation, they would have adopted the most direct course for throwing obstacles in the way of their satisfactory attainment, and would have run the hazard of defeating an object very important to the permanent interests of the Corporation.

Very respectfully,

Your obedient servant,

NATHAN HALE.

Boston, June 12, 1849.

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TWENTIETH

ANNUAL REPORT

OF THE

DIRECTORS

OF THE

Boston and Worcester Railroad

CORPORATION.

for 1849.

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TWENTIETH

ANNUAL REPORT

OF THE

DIRECTORS

BOSTON:
1850.
EASTBURN'S PRESS

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TWENTIETH

ANNUAL REPORT.

THE Directors of the Boston and Worcester Railroad Corporation, submit this their Annual Report of the business of the road, and their doings during the financial year ending on the 30th November, 1849.

INCOME AND EXPENSES.

The income for the year ending November 30, 1849, was as follows :—

From Passengers,	330,606 35	
Freight,	331,338 01	
Rents,	11,182 12	
Mails,	8,984 67	
Gravel Train,	21,250 00	
		$703,361 15
Reserved income, as by Report to December 1st, 1848,		4,490 88
Total income account,		$707,852 03

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Income brought forward, . . .		$707,852 03
The Expenses have been:—		
Salaries, Wages, and incidental expenses, chargeable to Passenger Department, ...	$47,038.05	
Salaries, Wages, and incidental expenses, chargeable to Freight Department, ...	64,020.84	
Wages of Switchmen, Watchmen, and Flagmen, ...	8,721.47	
Removing Snow, ...	177.56	
Fuel, ...	86,318.69	
Oil, used by Cars and Engines, .	10,768.00	
Waste, and other cleaning material, .	518.95	
Salaries of Officers—Law and Office Expenses, and all other Expenses, not included in the above, . .	22,486.22	
Repairs of Passenger Cars, . .	11,178.24	
" " Freight Cars, . .	21,062.76	
" " Gravel Cars, . . .	2,534.03	
" " Engines, . . .	37,523.07	
Repairs of Road, ...	49,876.87	
Renewal of Iron, including laying down, ...	19,529.91	
Repairs of Buildings. . . .	2,911.52	
" " Bridges, . . .	8,577.42	
Gratuities and Damages, . .	4,085.93	
Taxes and Insurance, . . .	8,221.92	
Interest, ...	23,891 90	
		$429,443 35
Net income, ...		$278,408.68
Deduct dividend paid in July, . . .		135,000.00
		143,408.68
Dividend declared, payable January 7, 1850, .		135,000.00
Reserved income, ...		$ 8,408.68

Several causes have contributed to make the expense account very large.

1st. The condition of the equipment of the road at the commencement of the year was considerably impaired. A large amount of work has been done in the repair shops, and both the cars and engines are materially improved. The Superintendent of motive power estimates the engines at $12,000 greater value

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than at the commencement of the year. No new cars or engines have been added during the last six months, but their improved condition is believed to be sufficient to cover the general deterioration.

2d. The bridge repairs have consisted chiefly of the heavy work at the arches over the full basin, near the Brookline crossing.

It became apparent in 1848, that the arches were giving away, and repairs were commenced by re-building them of better material. About $2000 were expended, when it was discovered that the piles on which the arches were built were so worm-eaten as not to be safe to re-build upon. The work was then abandoned from the lateness of the season, and resumed in July last.

The whole structure was taken down and a solid bank of gravel substituted, paved on the sides with stone, and made wide enough for three tracks, the location having been widened from 30 to 82½ feet, and a third track, laid for a turn-out while the work was in progress, is retained for the use of the road, making three instead of two tracks as before.

The whole expense was about $15,000, of which about $10,000 is charged to road and bridge repairs, and $5,000 to construction.

3d. A further increase of expense resulted from the prosecution to its completion of the renewal of the track, heretofore commenced. 11 88-100 miles have been relaid during the year, substituting, for the old rail of 40 and 45 lbs. to the yard, one of 63 and 66 lbs., increasing the number of sleepers about one third, and excavating the former road-bed, composed of clay and other unsuitable material, and substituting a gravel of superior quality and sufficient depth to protect the superstructure from the action of frost. There were

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also about 4½ miles of track mostly laid before November 30, 1848, completed December 10, 1848, and a part of the labor and the whole of the iron account for that section of road fell within the accounts of the year 1849.

The iron for the whole 11 88-100 miles had been purchased before the present Board of Directors came in, but not paid for. We found the old rail too light for the heavy engines and trains now used upon the road, and the travel insecure. We therefore did not hesitate in the decision to complete the work this year.

Such part of the work and materials as went to repair the old work was charged to expense account, which, with $10,000 added for deterioration of the rails taken up, has added about $30,000 to the road repairs, besides the other ordinary repairs.

Both tracks are now laid in the best manner with a heavy T rail over the entire length of the road, and it is believed that comparatively less expense will be required to keep it in full repair.

4th. The expense account of the year is also charged with bills to the amount of over $18,000 incurred in former years, mostly in 1848.

Great effort has been made to reach and liquidate every claim to this date, and it is believed that very few will hereafter be found not included in this account.

The expense account for the year, therefore, has been increased about $55,000, by items not belonging to it, or not likely to recur. This sum deducted would leave the expenses of working the road for the year, $350,551 45, or about 50 per cent. of the gross earnings.

The general decay of all the buildings, superstructure, and equipment of the road, and the wear and de-

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preciation of iron constantly in operation are not made good by annual repairs. In the end, an unequal expense for renewal must fall on the income of particular years. This consideration, and the constant liability to heavy loss from accident, seem to require a reserved fund drawn from income from year to year, in anticipation of these contingencies, to equalize the annual profit, and keep up the value of the property represented by the stock. But in view of the heavy expenditures upon the road-bed and superstructure, beyond the ordinary repairs, falling within this year, it was not deemed just to the income account of the year to hold in reserve a larger sum for depreciation.

They recommend that hereafter this object be kept distinctly in view. They do not anticipate that new engines or cars will be required for the next two years, but the decay of equipment will doubtless demand that a portion of the income of those years should be reserved in anticipation of renewals.

The whole amount charged to construction to November 30, 1848, and to November 30, 1849, with the increase for the year, on the main road, the branches, and for equipment, are shown by the following table.

CONSTRUCTION.

	To Nov. 30, 1848.	To Nov. 30, 1849.	Increase.
Main Road,	3,653,112 71	3,797,971 86	144,859 15
Millbury Branch,	43,262 78	43,268 78	
Milford Branch,	303,322 03	325,779 04	22,457 01
Brookline Branch,	42,157 03	52,733 74	10,576 71
Newton Lower Falls Branch,	38,775 04	39,050 04	275 00
Saxonville Branch,	80,791 66	81,131 66	340 00
Framingham Branch,	794 31	33,184 52	32,390 21
	$4,162,215 56	4,373,113 64	210,898 08
Engines,	162,776 22	194,225 23	31,449 01
Cars,	325,401 06	340,993 53	15,592 47
	$4,650,392 84	4,908,332 40	257,93956

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The principal items added to the construction in the main road, are,

For the new track before described, - - -	19,746 34
For the work on the arches, - - - -	5,000 00
Purchase of land in Framingham in March last, -	13,524 00
Purchase of land in Worcester, pursuant to contract made in May last, - - - - -	18,645 40
Additions to buildings about - - - -	12,000 00
Filling lands in empty basin, - - - -	63,226 00

All which were for moneys expended on contracts made prior to the first of June last, except about $25,000.

There were also added to the equipment during the first half of the year four new engines of a heavy class, and four first class, two second class passenger cars, two baggage cars, six crates, and one snow-plough, charged to construction, and constituting the increase under those heads shown in the table. This equipment was ordered in the year 1847, when a very heavy business urgently demanded enlarged means of transportation. With it the road is very fully equipped with passenger cars. In freight cars and engines, the business of the last autumn proved that we had no more means than the convenient despatch of business strictly required.

The item "for filling lands in the empty basin," results from the settlement of damages for the original location of the road. Very heavy sums were claimed by the Boston Water Power Company. After years of litigation it was settled by compromise. In the contract of settlement, this Corporation agreed to fill a certain amount of land in the Empty Basin; and in the adjustment of a controverted claim to a certain portion of the land, the Water Power Company re-

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leased 44,000 feet of land, which has also been filled, and is valued at $1 per foot, as by the schedule of lands annexed appears.

For filling this land and the land of the Water Power Company in pursuance of the contract made in 1846, this expenditure of $63,226, has been made.

PASSENGER TRAINS.

During the whole year there have been five regular passenger trains daily from Boston to Worcester and back. No trip has been lost. Two daily trains have run to and from Milford; two to Saxonville and back; five to Newton Lower Falls and back; and in summer nine and winter seven trains to Brookline and back. Of the whole number of passengers transported (959,557) only two were injured, and those by riding with their arms out of the window of the cars in violation of the published rules posted in the cars.

A Sunday train was established commencing in November, in obedience to the petition of the inhabitants of Newton, who pay for the train a gross sum per day, to run from Newton to Boston in the morning before divine service, and return after it, to be used exclusively by persons attending church; with other restrictions calculated to guard against unnecessary disturbance and noise, and with a distinct understanding that it would be discontinued whenever in the opinion of the Directors it was used for purposes inconsistent with those for which it was established, or was otherwise deemed inexpedient.

The through trains from Saxonville to Boston were on the 8th of October last, discontinued, and short trains only run on the branch to connect with other through trains, by which a considerable expense is saved. Ar-

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rangements have been entered into by which, without any additional trains or expense, two daily trains have been established between Boston and New York.

Other arrangements have been made by which great expense is saved in agencies connected with the New York freight, and a uniform tariff of prices established. Other steps have been taken to prevent ruinous competition with other lines, to abolish premiums to stages for bringing passengers to the road, and to limit very greatly the practice of free passes.

The income of the year from freight will be seen to be less than for the years 1847 and 1848. In the former of those years the freight receipts were swelled to an amount much greater than before or since, by causes of a temporary character, not likely to recur. The falling off this year is attributable principally to the depressed condition of manufacturing and other business, and in some degree to a diversion of business at Worcester by the Nashua and Providence roads. But these causes were overcome by the middle of September, and the receipts since that time, for both freight and passengers has been uniformly greater than the preceding year. In the month of December they were nearly $7,000, greater than in December, 1848.

The reduction of fares adopted in February but taking effect June 1st, also tended to reduce the passenger receipts. The number of passengers has exceeded that of any former year to the amount of 1,604,340 passengers carried one mile. It affords gratifying assurance of the reliable character of the local business of this road, that more than a million and a half of that increase was on its own local travel and only 86,901 of it, passengers to and from other roads.

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That increase cannot be ascribed to the reduction of fares, for by much the largest ratio of increase was on parts of the road where no reduction had been made. It can only be attributed to that sure, healthful, and steady increase which has been seen upon the road through its whole history.

Believing that the experiment of low fares was injurious to the profit of the road, and below a fair remunerating price, we have adopted a higher rate, taking effect on the first of January, 1850, and trust the measure will meet the approbation of the public, no less than the Stockholders.

Changes have been made in the system of accounts, by which monthly statements are made up of the expense as well as of the income, and the exact state of the Corporation's affairs may be at any time seen. A more correct and guarded ticket system has been adopted, and the accountability of all officers secured.

It was discovered in course of the summer that a discrepancy of several thousand dollars existed between the weekly returns of the passenger earnings of the road, and the cash receipts of the Treasurer for the six months ending May 31, 1849. On more minute investigation, it appeared that such discrepancy had existed a considerable time prior to that, showing an apparent loss of over $20,000, in two years.

As the matter is expected to have a judicial investigation, further particulars in this place would be inappropriate. No such deficiency exists since that discovery; and it is believed none can exist without immediate detection under the present system.

It will be obvious that this loss creates no deficit in the accounts heretofore stated in the Annual Reports; which have always been based on the actual receipts and not on the weekly returns. Other measures have

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been adopted to lessen the current expenses. The number of men employed in road repairs, has, since the completion of the heavy works before named, been reduced to a number much below the usual repair complement on the road heretofore. The number employed in the repair shops has been reduced, and notice given of other dismissals, so that on the 1st of February the number will be less by 21 per cent., and some reduction of wages has been made, and greater efficiency, and more systematic arrangements in doing the work of the Corporation have been attempted, we trust not without some success.

The low price of fuel has enabled us to reduce the cost per mile to 21.1-10 cents for the first six months and 16.1-2 cents for the second six months. The low price of the wood now on hand will be felt in the expense account of the next year.

The freight expense at the depot in Boston, including collection of bills, the pay roll of brakemen, and other charges usually made to freight department was for the year 1848, 14.8-10 cents per ton, for the year 1849, 13.6-10 cents, making an average difference of 8 per cent. in favor of this year.

BRANCHES.

The following shows the length and cost of the several branches of the Boston and Worcester Railroad, with the expense of working them, with the income derived from them, during the year ending November 30, 1849.

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BRANCHES.	Length. Miles.	Cost.	Working Expenses.	Income.
Millbury, ...	3.000	43,268.78	2,300.00	1,250.40
Saxonville, ...	3.867	81,131.66	4,651.44	2,573.45
Milford, ...	11.969	325,779.04	16,819.97	16,871.71
Newton Lower Falls, .	1.251	39,050.04	3,276.19	1,230.72
Brookline, ...	1.553	52,733.74	9,867.27	9,775.00
Framingham, ...	1.998	33,184.52	.	.
	23.938	575,147.78	36,914.87	31,701.28

It will be seen that the cost of working the branches has exceeded their income $4,929.09, which sum together with the interest on their cost, ($34,508.86,) making a draft on the income of the main road, of $39,437.95. The question of their utility or profit to the main road, involves however, other considerations which apply with different degrees of force to the different branches.

BROOKLINE BRANCH.

Trains commenced running on this branch in April, 1848. The expense account of the year ending November 30, 1849, is charged with a loss account of $1,500, resulting from two collisions of its trains with the other trains of the main road.

It was principally from an accident which was more especially caused by the deranged condition of the track over the arches during the repairs there. Without this loss account, it would have yielded a profit of 3 per cent. on the cost of the branch.

The town of Brookline is second to none in the vicinity of Boston as a desirable residence and will doubtless greatly increase in population with the facilities which this road affords. Should the increase be equal to that of other places similarly situated, it

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will in three years be double its present amount. It would then be worked with very little expense more than at present, as no additional trains would be required. It would in that case pay a profit equal to any part of the investment of the Corporation.

Whether such increase may be reasonably anticipated may be judged in part from the fact that the passenger receipts of Brighton, Newton-Corner and West-Newton have doubled within less than that time, and the average number of passengers from those three villages has been increased 33.2-3 per cent. within the last year.

The other branches do not admit of statements showing their exact profit or loss.

In the foregoing table all the business to and from stations on the branch is divided between the branch and the main road in proportion to the distances. In this way no credit is given to the branch for its utility as a feeder of the main road. But so far as it brings business which the road would not otherwise receive, it is essentially beneficial.

NEWTON LOWER FALLS BRANCH.

On this principle, this branch is not probably unprofitable. Its trains all serve as accommodation trains on the main road. It adds very little to expense, besides the expense of the station itself. It is a convenient point for stopping the short trains which the eastern end of the road requires. It brings to the road business amounting to about $7,500. Though it is true that the business of that village could be drawn to the main line, without the branch, it is obvious that much of the existing business is created by the facilities which the branch affords, and a further increase may be anticipated.

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MILFORD BRANCH.

This branch has been opened a little over a year. On the principle of division above adopted its profits have been only $51.74 over the working expenses. But it already brings to the main road besides the sum allowed to the branch, business amounting to about $28,000. Most of it is business that would not have existed, or if it existed would not come to the road. The villages on this branch are thrifty and growing, their people enterprising to an extraordinary degree, and their business rapidly increasing. One hundred and forty houses and shops have been built during the year in the town of Milford alone. It may be confidently expected that the capital invested in this branch will in a few years yield a fair return.

MILLBURY BRANCH.

The Millbury branch brought about $10,000, of business to the main road, beside its proportion stated in the table. Although this business would have come in a great degree to this road at the period when it was built, the construction of other roads, recently, has afforded such other facilities that it is doubtful whether a large part of this business would not be lost, if the branch were to be discontinued.

THE SAXONVILLE BRANCH.

This branch was built under circumstances different from those now existing. At that time a large manufacturing establishment, since destroyed by fire, was in operation. It was also considered at the time a protection against an encroachment on the proper business of this road by a branch from another road. At present it brings, besides the sum stated in the table,

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about $9,500 to the main road, a very large proportion of which would have been diverted if the threatened branch had been built. Should the water power be again brought into use to its full capacity, this business would be much increased.

FRAMINGHAM BRANCH.

This branch, also, like the Saxonville, was commenced to prevent a contemplated diversion of trade from the main road, rather than an expectation of a direct profit from working the branch as such. The estimated cost to complete it, is $14,992.51, making the whole expenditure $52,866.95.

The Directors felt bound to build it, by pledges given to citizens of that town and to the Legislature, during the controversy in relation to a branch petitioned for to another road, which was thought to be unjust to this Corporation; and proceeded to fulfil that pledge as an act of good faith. It also was then in contemplation to construct a road to connect with this branch at Framingham, and a charter exists for that purpose, under which, however, no action has been had. That connexion was believed to be of importance, if that road should be constructed.

Your Directors have not thought it advisable to complete it the past season. They have only proceeded to fulfil existing contracts and adjust liabilities already incurred. The work is now suspended, except a contract for excavating, not quite completed. But the measure having been adopted with the approval of the Stockholders, the Directors will consider it obligatory on them to prosecute the work to its completion early next season.

We have deemed it proper to go thus minutely into the condition of the branches, because they have been

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often spoken of, and different opinions entertained of the policy of constructing them. The foregoing facts give the best means which we can afford, of forming a correct judgment in regard to them.

The financial condition of the road, on the 1st of December, 1849, was as follows:—

Total construction, as above,		4,908,332 40	
Materials on hand, including cash, and exclusive of surplus lands, ...		414,658 96	
Total investment, ...			5,322,991 36
Capital paid in, . . .		$4,500,000 00	
Debts,	679,582 68		
Dividend of January, 1850,	135,000 00		
Reserved income,	8,408 68	822,991 36	5,322,991 36

The Corporation therefore owe, including the reserved income and dividend, ...	$822,991 36
Less assets as by Treasurer's statement, . .	414,658 96
	$408,332 40

A large portion of these assets consist of fuel, oil, and other materials which are daily required for the use of the road in repairs or running expense, and a similar amount will be constantly required as a working capital.

The bonds of the Norwich and Worcester Railroad, by an arrangement made but not yet completed, will be reduced $39,000, and debts of this Corporation extinguished in a corresponding amount. The balance, $61,000, though satisfactorily secured, is not payable till 1860. The bills and notes contained in the assets, embrace also bills due for freight which on the first of

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December were unusually large, but, since reduced to a comparatively small sum.

These assets will not therefore be made available for the payment of debts, beyond about $200,000, and a part of that will not be available until from five to ten years.

To defray the balance of the debts, your Directors recommend the creation of new Stock, if leave be granted by the Legislature, to the amount of $500,000. They have petitioned for an act to that effect, in anticipation of the meeting of the Stockholders, in consequence of the late period of the legislative session, to which a delay till after that meeting, would bring the application, and they submit the measure for the consideration of the Stockholders.

The petition asks for a bill providing that the Stock shall not be issued at less than the par value. They do not believe there can be occasion to create any Stock of this Corporation at any less price than $100. They propose that the debt be funded by issuing bonds at 6 per cent., with coupons attached, payable in ten years, with the option to the holder to convert the bonds into Stock at par, within that or a less period. Such bonds we believe, would command a premium in the market, and put the finances of the Corporation at once in an easy condition.

The lands supposed not to be required for the use of the Corporation, are shown in the annexed Schedule, marked (A.)

The cost is given so far as practicable, estimating the proportions where they were purchased on such terms, or so joined with other lands required to be retained, that the price cannot be computed exactly, amounting to $318,144.12. By an appraisement,

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carefully made, their present value is estimated to be $441,000. These lands have been acquired from time to time in the adjustment of land damages, or for the use of the road in some plan of operation since abandoned. It is foreign to the general purposes of such a Corporation to hold such lands as an investment, either for rents, or a prospective advance in value. But having acquired them in the legitimate exercise of corporate powers, they are a valuable property to be disposed of with judgment so as to realize their fair worth. Their avails should be applied to pay the debts, and credited to construction account, which has been swelled by the purchase of the lands themselves; or expended for other necessary construction purposes.

Sales have been made, or contracts of sale concluded, during the year, (the deeds not yet being made,) on favorable terms, but the sales have not been pressed on the market, from the belief that it has not been a season to sell such property advantageously; and though it is hoped that they may be sold to a considerable amount during the next year, it is evident that unless great sacrifice is submitted to, credit must be given in the sale for a large part of the consideration. It is evident therefore, that the floating debt cannot be paid from that source for several years, even to the extent of this value.

The further demands for construction cannot we believe be very large. To complete the Framingham Branch and settle some remaining land damages, and erect suitable station house and freight depots and other necessary fixtures on the branches may require $30,000.

On the main road, further outlays for repair shops, are much needed, not only by sound economy and the

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proper despatch of the work, but also for the health and comfort of the workmen.

Plans have been heretofore drawn and estimates made in view of such improvements, but we have not felt warranted by the finances of the Corporation to enter upon them.

Better depot buildings and more convenient arrangements both at Boston and Worcester are demanded for the proper accommodation of the public travel. These too have been considered by the Directors heretofore, plans and estimates made, and their prosecution suspended for a similar cause, and for further consideration.

The future increase of business will probably in a few years require an enlarged equipment, and other expenditures of perhaps less importance and amount, will doubtless be demanded.

But it is confidently believed that they will be within the resources of the Corporation, with the proposed increase, and that the investment may stop at a capital of $5,000,000.

They cannot flatter themselves that a less sum will be sufficient. This amount of capital stock has been clearly understood by the Directors heretofore, to be requisite, and in their application to the Legislature at the time of the last increase they asked for that sum ($500,000) more than was granted.

The necessity of hiring money during two years of unusual stringency in the money market, though we have paid but a trifle over six per cent. interest, has fully demonstrated the expediency of that application. To give proper time to avail of other resources, the additional capital should be had now, to meet that part of the debt which must be paid at an early day, relying upon the land sales to defray that part of the

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debt which may be deferred, and to supply the funds for the future demands of construction.

The income of the road will, we believe, yield a liberal profit on that amount of capital stock. It has increased in five years from $428,000 to over $700,000. The passenger travel has advanced, even the last unfavorable year, more than 10 per cent. over any former year, and with the revival of business and the steady growth of the country which it serves, we cannot think the opinion of the last Stockholders Committee, "that it will at no distant day reach $1,000,000," extravagant.

If the expenditure has much exceeded the anticipations of its enlightened projectors, the income has equally outstripped their estimates, and justified the gradual enlargement of their means of public accommodation.

Among those to whose enlarged views and valuable services this road, as well as the railroad system of Massachusetts generally, is much indebted, we cannot omit to mention the late President, the Hon. Nathan Hale.

We annex a table showing the equipment of the road, and a trial balance from the Treasurer's books on the 1st of December, 1849.

By order of the Directors.

THOS. HOPKINSON, *President.*

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A.

Schedule showing the quantity, cost, and location of Lands owned by the Boston and Worcester Railroad Corporation, supposed not to be required for the use of the Road.

	Quantity.	Rate of Cost.	Amount of Cost	Totals.
BOSTON.	Feet.			
3 Lots on Utica, Harvard, and South streets,	4,416	$0 60	$2,649 60	
Land between Lincoln and Albany streets,	13,300	2 00	26,600 00	
				$29,249 60
On Curve Street.				
12 Lots and dwelling houses, about	13,200	3 75	50,520 00	
1 Lot (vacant)	1,100	2 12½	2,337 50	
Part of 1 Lot on Harrison avenue, say	500	1 25	625 00	
Other Land on Harrison avenue,	3,209	1 50	4,813 50	
				58,296 00
1 Lot and dwelling house on Orange street,	1,700			4,000 00
Indiana Street.				
4 Lots, (sold for church)	3,332	0 60	1,999 20	
2 do. adjoining the above, (sold)	1,333 3/10	0 60	799 98	
19 do.	22,704	0 60	13,622 40	
1 do. No. 26, fronting on Tremont street, (sold)	958	0 60	574 80	
4 do. Nos. 27, 28, 29, and 30,	4,784	0 60	2,870 40	
14 do. on the south side, about	16,332	0 60	9,799 00	
Land occupied by Indiana street,	30,000	0 60	18,000 00	
				47,665 78

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TREMONT STREET.				
Land and house, on east side,			1,900 00	
2 Lots on west side,	10,300	0 75	7,725 00	
Empty Basin Lands,	44,000	1 00	44,000 00	
1 Lot, south of Castle street, (sold)	972	1 12½	1,093 50	
1 do. " " " " (sold)	4,522	1 12½	5,089 50	
1 do. " " " " (sold)	2,285	1 25	2,856 25	
1 do. east side	2,614	1 12½	2,940 75	
1 do. " "	2,345	1 12½	2,638 12	
1 do. on Tremont and Castle streets,	13,770	0 86	11,842 20	
1 Lot, south of Railroad, on Tremont and Orange streets, and Village place,	19,031	0 75	14,273 25	
				94,358 57
BROOKLINE.				
1 Lot and house, near station,	10,000		2,830 00	
Marsh Land, near junction,	8 acres	250 00	2,000 00	
				4,830 00
BRIGHTON.				
Old Gravel Pit Lot, (sold)	4 acres	204 00	816 00	
Land at Cambridge Crossing,	5¾ "	1,330 00	7,647 50	
1 Lot adjoining the above,	7/10 "	1,000 00	700 00	
Land formerly occupied by cattle pens, and other lands near Arsenal Bridge,	4 18/100 "	100 00	418 00	
				9,581 50
				$247,981 45

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	Quantity.	Rate of Cost.	Amount of Cost.	Totals.
	Feet.			
Amount brought forward, ...				$247,981 45
NEWTON.				
1 Lot, near Newtonville, ...	$\frac{53}{100}$ acres	$100 00	$53 00	
Lands, north of Newton Station, ...	44,396 ft.	0 31	1,376 27	
do. west of do.	13,400 "	0 26	348 40	
				1,777 67
NATICK.				
1 Lot and house, ...			700 00	
1 Lot and shop, ...			750 00	
				1,450 00
SAXONVILLE.				
1 Lot of Upland, ...	$2\frac{1}{2}$ acres	340 00	850 00	
1 do. of Meadow Land, ...	9 "	340 00	3,060 00	
1 do. and house, ...			700 00	
				4,610 00
FRAMINGHAM.				
Part of the Clark Estate, ...				8,000 00
WESTBOROUGH.				
Lands, with two dwelling houses, and shops, ...				1,200 00

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MILLBURY.				
1 Lot of Land and cottage, ...				1,000 00
WORCESTER.				
Land at Washington square, occupied by Hotel, and other buildings, . . . (about)	28,138 ft.		4,125 00	
1 Lot on Grafton street, (about)	14,700 "		4,950 00	
1 do. on Grafton Road, (sold)			115 00	
Hathaway Farm, ...	34½ acres	230 00	7,935 00	
1 Lot, near Station House, ...			400 00	
1 Lot on Main street, . (sold)			400 00	
3 Lots on Front street, (north side)	17,500 ft.		17,500 00	
3 Lots on east side of Norwich Railroad, ...			12,800 00	
1 Lot on Mechanic street, ...			400 00	
Land, west of Union street, (about)	40,000 "		2,300 00	
Land, east of do.	20,000 "		1,200 00	
				52,125 00
				$318,144 12

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Dr. *Statement of Accounts Bos. & Wor. Railroad Corporation, November* 30, 1849. Cr.

CONSTRUCTION.			**CAPITAL.**			
Main Road,		3,797,971.86	Assessments,	$4,500,000.00		
Millbury Branch,		43,262.78				
Milford Branch,		325,779.04				
Brookline Branch,		52,733.74				
Saxonville Branch,		81,131.66				
Newton Lower Falls Branch,		39,050.04				
Framingham Branch,		33,184.52				
Engines,		194,225.23				
Cars,		340,993.53	$4,908,332.40		$4,500,000.00	
Running Expenses for year ending Nov. 30, 1849,		405,551.45	**INCOME.**			
Interest,		23,891.90	Reserved Income, 1848,	$ 4,490.88		
Dividend No. 28,		135,000.00	564,443.35	Income, 1849,	703,361.15	707,852.03
ASSETS.			**DEBTS.**			
Cash,		60,726.13	Notes payable,	499,353.41		
Norwich and Worcester R. R. Bonds,		100,000.00	Bills payable,	29,925.49		
Notes Receivable,		24,024.05	Mortgages (on Lands purchased,)	7,810.00		
Bills Receivable,		62,748.32	Unclaimed Dividends,	1,797.50		
Fuel,	55,501.63		Norwich & Worcester Railroad,	11,364.40		
Repair Shop Materials,	27,666.52		Balances to connecting Railroads	93,862.05		
Sleepers,	5,568.16		Individual Accounts,	35,469.83		
Iron,	65,197.77	153,934.08				
Boston and Worcester R. R. Stock,		2,607.00				
Individual Accounts,		10,619.38	414,658.96		679,582.68	
			$5,887,434.71		$5,887,434.71	

HORACE WILLIAMS, *Treasurer.*

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EQUIPMENT OF THE ROAD.

29 Engines.
35 eight-wheeled 1st class Passenger Cars.
8 " " 2d " " "
12 four-wheeled 1st " " "
2 " " 2d " " "
4 eight-wheeled Baggage Cars.
4 four-wheeled " "
2 eight-wheeled Crate Platforms.
14 Baggage Crates.
656 Merchandise Cars.
110 Gravel Cars.
5 Large Snow Ploughs.

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TWENTY-FIRST

ANNUAL REPORT

OF THE

DIRECTORS

OF THE

Boston and Worcester Railroad

CORPORATION,

FOR THE YEAR ENDING

NOVEMBER 30, 1850.

BOSTON:
1851.
EASTBURN'S PRESS.

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REPORT.

To the Stockholders of the Boston and Worcester Railroad Corporation:

The Directors respectfully submit their Twenty-first Annual Report.

INCOME AND EXPENSE.

The income of the road, for the year ending the 30th November, 1850, has been as follows:

From Passengers,		$397,248.78	
Do. Freight,		330,780.61	
Do. Rents,		10,984.03	
Do. Mails,		10,513.42	
			$749,526.84
Reserved Income of last year,	$8,408.68		
From which deduct, paid to the W. R. R. for Ferry at Albany, for three years, ending November 30, 1849, paid since the last report, but chargeable to earnings of said three years, under contract,	6,000.00		
		$2,408.68	
Net premium on sale of bonds, to the amount of $325,000 over expenses of sale,		8,419.95	
			10,828.63
Income,			$760,355.47

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Income brought forward,		$760,355.47
The Working Expenses of the road have been as follows:—		
Road repairs,	55,821.12	
Bridge repairs,	5,170.26	
Building repairs,	6,141.80	
Engine repairs including $10,500 credited to depreciation,	37,280.79	
Passenger Car repairs,	8,096.38	
Merchandise Car repairs, including $3100 credited to depreciation,	17,648.81	
Gravel Car repairs,	383.73	
Fence repairs,	581.99	
Wages and incidental expenses chargeable to Freight Department,	63,690,34	
Wages and incidental expenses chargeable to Passenger Department,	47,427.31	
Wages of Switchmen, Signalmen and Watchmen,	9,907.44	
Taxes and Insurance,	8,611.70	
Fuel,	79,839.91	
Oil,	10,834.82	
Waste,	445.68	
Gratuities and damages,	4,708.00	
All other expenses,	20,451.00	
		377,041.08
Balance,		$383,314.39
Deduct interest,		21,297.73
		362,016.66
Deduct dividend of 3 per cent. declared payable July 1st, 1850,		135,000.00
		227,016.66
From this has been declared a dividend of 3½ per cent. payable January 1st, 1851,		157,500.00
		$ 69,516.66

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The increase of income over the last year has been,

From Passengers, - - -	$66,642.43, or 20 per cent.
Freight—Decrease, - - -	557.40, or $\frac{1}{8}$ of one per cent.
Gain of Freight and Passengers over last year, - - -	$66,085.03
Gain of Rents and Mails, - -	1,330.66
Total gain, - - - - -	$67,415.69

Last year's account contained $21,250, earnings of gravel train, while engaged in filling lands under contract with the Boston Water Power Company, in settlement of original land damages.

There has been no similar income this year. The whole expense of the gravel train has been included in road repairs, and no credit given for it to income.

Deducting this from the above balance, the excess over last year is reduced to $46,165.69.

The increase on Passengers has been $51,359.43 on the local business of the road, and only $15,283 on business from connecting roads.

The local freight receipts have been $2,748.12 less, and receipts from connecting roads $2,190.72 more, than the preceding year.

The fares were raised, on the first of January last, from $1.00 to $1.15 between Boston and Worcester, and most way stations in a similar proportion. But the low rates had then existed only seven months, having been prior to that time $1.25 to Worcester; so that for the whole of the two years the average rates have been about equal.

We are of opinion, however, that the advanced fares since January last have increased the receipts of the road, and have been generally satisfactory to the public, and we do not propose any change.

This increase has not been gained by any increased number of trains. The whole number of miles run by freight and

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passenger trains, is 3996 less than the preceding year, while the number of passengers carried one mile is 2,400,000 more. The average receipts per mile of passenger trains, are $1.49 to $1.23 last year.

From these facts it would appear that the improvement may be regarded as founded on permanent and reliable sources of revenue.

The depressed state of manufacturing business has doubtless prevented a similar advance in freights. How soon an improvement may be anticipated in that respect it would be useless to conjecture. But there can be no doubt that a more active state of manufacturing business would materially increase our freight receipts.

The expenditures on road and building repairs have been heavy. There have been laid of new rails to supply the wear of iron 358 tons, equivalent to a renewal of 3 2-3 miles of single track. The renewals of sleepers have been 12,440. An entire renewal of the tracks near the freight and passenger Stations in Boston, with an improved arrangement, has cost about $2,500. Two stone bridges have been entirely rebuilt, and over $6000 have been laid out in building repairs.

Our road will always require very considerable renewals of iron, from its character, in curves. These very greatly increase the wear of rails, as well as of rolling stock. In this respect they are more injurious than heavy grades. Railway experience has not yet afforded any very certain data as to the duration of rails. In Belgium, by a government commission, and in England, by order of the Board of Directors of the Northwestern Railway, the largest of the English Railway establishments, very careful and elaborate experiments were made, to ascertain the duration of rails on their roads respectively. It is remarkable that both came to the same result; namely, that, on those roads a rail would be so worn out as to require renewal, by 365,000 trains.

The weight of trains, speed, and weight of rail, used in

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those experiments, would not very essentially differ relatively to each other, from those used by us at the present time.

On this basis, our rail, except where unfavorably affected by curves or other circumstances, would last 80 or 90 years, with a business equal to the last two years.

Such estimates, however, cannot be relied upon for any great degree of accuracy, and, though they may be the result of the best experience yet attained, a very wide margin should be kept on the side of caution, in adopting them, in a climate such as ours, and in consideration of the varieties in the quality of iron. But if we adopt one third that period, the renewals of this year on our road have been about equal to the average wear.

For the first ten years of a new road, this expense would of course be very light. That period would be protracted more or less according to the character of the road, the amount of business, &c. But it is believed that this road has arrived to that period when the required renewals will be nearly equal to an average. Rails do not wear uniformly. They require renewals in particular places—at Stations, on curves and where defects in iron at length appear. The impression, therefore, very common in the community, that the iron superstructure of roads, after some twenty, thirty, or fifty years, will require to be entirely relaid, is not just. The older and most used roads of this Commonwealth have probably very nearly reached the period of the average annual wear and renewal of superstructure.

This consideration affords an assurance that railroad property will retain the high place which it holds as a desirable investment. While the business on almost all roads is subject to constant increase with the development and growth of the country, we are gratified in the belief that there is not reason to apprehend any very disproportionate increase of expense.

The Station buildings have been kept generally in repair, and improvements made at several Stations. At Milford the car house has been enlarged by the addition of twenty feet

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in length. At West Newton Station a new arrangement has been made, and a highly commodious Passenger Station House completed. There was a purchase of land for this purpose, to the amount of about $700, and the whole cost of the improvement is about $2700. There were also lands sold at the same station, to the amount of $2808.05.

At Auburn Dale, a new Station House, on a tasteful and convenient plan, is nearly completed; and is much needed by the increase of business at that pleasant village. The cost will be $1100. That has not been yet paid, and is not included in the accounts of the year.

In freight expense, the cost of handling freight at the Boston Station, including the cost of collection and all freight house charges, has been 12 923-1000 cents per ton, which is a reduction of 5 per cent. on the cost of the year before, and 12 1-2 per cent. on that of the year ending November 30, 1848.

The equipment of the road has been kept in an efficient state of repair. Besides the usual repairs and expense on cars and engines, we have provided for the renewal of two engines. Having sold two light engines for $5,500, that sum, with $10,500, taken from income and charged with engine repairs, has been set aside to pay for two new first class engines, contracted for at $16,000. These will much improve the motive power for efficiency, and put it in a condition highly satisfactory.

Of ten long freight cars, two short freight cars and two platform cars, which were broken up as unfit for repairs, equal to twenty-six short cars, thirteen have been rebuilt, and the estimated cost of completing the remainder, $3,100, has been set aside for that purpose. We therefore shall have renewed, or provided for renewing, equivalent to twenty-six short freight cars, out of the income of the year.

The general result is, that the expense account, compared with last year, shows a diminution of $28,510.27, with increased income of $46,165.69.

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CONSTRUCTION.

The Construction account standing by the last Report, at	$4,908,332.40
Has been reduced to	4,882,648.23
Decrease,	$25,684.17

The following table shows that the Construction account on the main road has been reduced $48,825.92, and that the principal increase has been in constructing the Framingham Branch, and a payment of $8,023 for land damages on the Milford Branch.

CONSTRUCTION.

	To Nov. 30, 1849.	To Nov. 30, 1850.	Increase.	Decrease.	Total Reduction.
Main Road,	$3,797,971.86	$3,749,145.94	-	$48,825.92	
BRANCHES.					
Millbury,	43,262.78	43,262.78			
Milford,	325,779.04	335,817.12	$10,038.08		
Brookline,	52,733.74	51,395.29	-	1,338.45	
Saxonville,	81,131.66	81,131.66			
Newton, Lower Falls,	39,050.04	39,350.04	300.00		
Framingham,	33,184.52	47,326.64	14,142.12		
	4,373,113.64	4,347,429.47	24,480.20	50,164.37	$25,684.17
Engines,	194,225.23	194,225.23			
Cars,	340,993.53	340,993.53			
	4,908,332.40	4,882,648.23			

There have been charged to Construction, on the main road, the following expenditures:—

Blacksmith's Shop in Boston, (in part,)	$1,303.09
Bowers' Bridge in Newton, "	1,657.65
Station House in West Newton, "	1,012.75
Tracks in Worcester,	4,325.19
Passenger Car Shed in Boston,	1,550.95
Filling in empty Basin,	8,289.53
Small Lots of Land in Newton and Brighton,	460.91
Sundries,	327.55
	$18,927.62

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The following Table shows the working expenses and income of the several Branches, calculated upon the principle of dividing the business derived from the Branches, between them and the main Road, *pro rata* per mile.

It also shows the amount of income from business brought to the main Road, and carried from it by the Branches.

Branches.	Length, Miles.	Cost.	Working Expenses.	Income.	Business to and from Main Road.
Millbury, - - - -	3,000	$43,262.78	1,891.93	929.39	10,509.73
Saxonville, - - -	3,867	81,131.66	2,695.38	2,562.56	14,501.48
Milford, - - - -	11,969	335,817.12	16,790 61	18,592 13	40 522.64
Newton, Lower Falls,	1,251	39,350.04	2,449.21	1,487.97	8,766.17
Brookline, - - -	1,553	51,395.29	9,030.00	12,130.31	
Framingham, - -	1,998	47,326.64			
	23,638	$598,283.53	$32,857.13	$35,702.36	$74,300.02

The Brookline Branch trains, running separately from any business of the main road, its profit may be distinctly stated. We charge it with the entire working expense of its trains, and the whole expense of every kind, of the branch, and a *pro rata* part of the expense of repairs on that part of the main road run over by its trains. The result shows a profit of 6 per cent. on its cost. We see no reason to doubt the favorable anticipations of the last Annual Report as to this branch.

The Framingham Branch has been completed, except the Station buildings and the track in their immediate vicinity, but has not been put in operation. After the vote of the last Stockholder's meeting, giving the Directors a discretionary power to complete the branch or not, the question received our careful consideration.

Taking into view its history, and the facts connected with its origin, we were of opinion that we could not fairly, in justice to the public, and individuals who have aided it, omit to complete and put it in operation. We intend therefore to commence working it in the Spring with horse power.

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DEBT AND LIABILITIES.

The floating debt of the Corporation, by the last account, exclusive of income account, was $679,582.68.

Of the Bonds and new Stock, to the amount of $500,000, authorized by votes of the last annual meeting, there have been issued as follows:—

Three hundred and twenty-five bonds of $1000 each, convertible into Stock at the pleasure of the holders, any time before January 1, 1859, bearing six per cent. interest, equal to $325,000.

These bonds we sold at a premium of $8,419.95, deducting expenses of sale, which is credited to income account. We also early in the year, when money commanded a considerable premium, contracted with the Commissioners of the Western Railroad Sinking Fund, to take bonds to the amount of $100,000, at par, not *convertible into Stock*, but with the Stock to be held by them as collateral security.

By this means any advance on the Stock, or any payment of dividend over six per cent. per annum, will be saved to the Corporation.

Of these bonds, the amount of $50,000 had been issued on the 30th of November, 1850.

The funded debt is therefore $375,000. The floating debt (exclusive of balances due to connecting roads, which of course must always exist to some extent, and is constantly varying in amount) is $94,984.29.

STATEMENT OF LIABILITIES AND MEANS.

LIABILITIES.

Funded debt, - - - - -	$375,000.00	
Floating debt, - - - - -	94,984.29	
Balances due other Roads, - - -	108,674.56	
		$578,658.85

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Liabilities brought forward,			$578,658.85
	MEANS.		
Stock of the Corporation issuable in connection with the Funded Debt, 3750 shares,		$375,000.00	
Cash,		105,772.19	
Norwich and Worcester Railroad Bonds,		59,000.00	
Notes Receivable,		32,273.36	
Freight Bills uncollected,		64,130.90	
114 Shares Boston and Worcester Railroad Stock, at cost,		11,107.00	
Individual Accounts,		53,421.32	
		$700,704.77	
From which should be deducted Dividend declared payable January 1,	157,500.00		
Balance of Income,	69,516.66		
Amount credited to depreciation account,	19,950.00	246,966.66	453,738.11
Balance of Debts,			$124,920.74
To pay this balance, we have the remaining Stock and Bonds, authorized by vote of the Stockholders, April 3d last, 1250 Shares,			125,000.00
In addition to which we have the following assets.			
The working stock of the Road:			
Iron,	$39,747.90		
Sleepers,	4,000.00		
Fuel,	40,838.20		
Materials in Machine Shop,	17,057.46		
" Car Shop,	15,603.95		
		$117,247.51	
Lands as per Table E.		278,230.62	
			$395,478.13

Of the remaining 1250 shares, 500 more will be issued with the remaining bonds to the Western Railroad Sinking Fund. The residue, 750, it is not proposed to issue at present.

With these resources at command, we can but repeat the

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belief expressed in the last annual report, that the Capital Stock of this Corporation need not be increased beyond the present authorized amount of $5,000,000.

We have made no statement of liabilities for injuries suffered by passengers, though there are several claims and suits pending against us. In most such cases we believe the claims are without just foundation, and in many, where there may be a just liability, it is impossible to make any reliable estimate of the amount which a jury may award. We have endeavored to adopt a liberal policy in reference to such claims, unhappily too numerous in the working of Railroads, notwithstanding all possible care and diligence.

When we have thought the Corporation justly liable, we have been ready to make liberal settlements. When we deemed the question doubtful, we have tried to effect fair compromises. And in cases of misfortune, where the sufferers were in destitute circumstances, though we thought it clear that we were not liable, we have tendered some relief, according to the circumstances of each individual case.

There arise however, cases, where in the strict rule held by juries against Railroad Corporations, we may be held against our opinion, to respond in damages.

One such case has been tried, and a verdict rendered recently, for $4,000 for injuries alleged to have been sustained in 1847. Should the questions of law reserved in the case be ruled against us, that sum, with heavy costs, will be added to our debts.

But it is believed that all such contingent liabilities are much within the sum reasonably due to us from the Old Colony Railroad Company, for damages to land and wharves taken by them, and which, being unliquidated, could not be definitely stated among our assets.

We are happy to add that we believe no liability for injuries to passengers has been incurred during the last year.

Only a single passenger has been injured, and no claim for damages is made in this case, as the injury was not attributable to any fault on the part of the Corporation.

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This was the case of Mr. George Adams of Worcester, who left his seat in the car, went upon the platform while the train was in motion, against the well known rules of the road, accidentally fell off, and in attempting to recover by holding on to the railing of the car, he received an injury, which though not considered dangerous at the time, proved fatal.

In conclusion, we would congratulate the stockholders on the fair prospect and increasing income of the road. The last year may be considered a favorable one, especially in passenger business. It would be unreasonable to anticipate during the current year, an increase equal to that of the year just past. But we cannot doubt that we shall continue, as in past years, to realize a healthy, sound growth in the business and resources of the Road.

The net earnings of the year have been about 7 1-2 per cent. Had we thought it a sound policy to disregard the depreciation of equipment, and work the Road with a more strict regard to present profit, rather than to its permanent condition and future expenses of repair, we might have shown a profit of 8 per cent. We could have divided this year 7 1-2 per cent., had we not been satisfied of the soundness of the policy stated last year, of having in reserve a fund to meet contingent liabilities to which all roads are exposed, from fire or serious casualty.

But we were satisfied that you would prefer the ultimate safety of your investment, and the permanent soundness of the Stock, to immediate profit. We have therefore withheld the sum of $69,516.66, (all but $10,828.63 of which is from the regular earnings of the year just past,) as reserved income.

Table A annexed, shows the number of men employed on the 30th day of November, 1850, with the names of all salaried officers and amount of salaries, and wages paid to all employees. The number of hands at that date is larger than the average of the year. The average number during the year was 426 1-3 men.

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Table B shows the amount and a classified statement of the purposes of all sums charged to Construction account since November 30th, 1843, agreeably to the vote of the 3d of April last.

Table C shows the number and character of Free Passes given during the year ending November 30th, 1850.

Table D is the Treasurer's statement of accounts, on the 30th November, 1850.

Table E shows the amount of land held by the Corporation, not used in the working of the Road, and its cost. This statement is the same as last year, deducting the cost of the lands sold.

By order of the Directors.

THOMAS HOPKINSON, *President.*

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TABLE A.

A LIST OF THE OFFICERS AND EMPLOYEES OF THE CORPORATION, NOVEMBER 30, 1850.

Thomas Hopkinson,	President,	per annum,	$3000.00
George Bemis,	Corporation's Clerk,	"	400.00
Horace Williams,	Treasurer,	"	1700.00
H. G. Perkins,	Cashier,	"	1000.00
1 Clerk,		"	650.00
1 "		"	500.00
Ginery Twichell,	Superintendent,	"	2500.00
George Tyler,	Engineer,	"	900.00
1 Clerk,		"	626.00
1 "		"	600.00
1 "		"	500.00
J. Q. A. Bean,	Depot Master,	"	900.00
1 Conductor,		per month,	58.33
8 Conductors,		"	50.00
1 Ticket Seller,		"	50.00
1 Policeman,		"	52.00
1 Baggage Master,		"	40.00
1 " "		"	35.00
1 Switchman,		"	40.00
1 Watchman,		"	37.50
1 Brakeman,		"	34.00
9 Brakemen,		"	33.00
2 "		"	31.00
11 "		"	30.00
5 "		"	28.00
1 Mail Driver,		"	37.50
1 Porter,		"	33.00

45 men.

FREIGHT HOUSE.

E. B. Phillips,	Transportation Agent,	per annum,	$1200.00
1 Book Keeper,		per month,	62.50
1 Foreman,		"	65.00

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1	Cashier,	per month,		54.17
5	Clerks,	"		43.33
5	"	"		39.00
4	"	"		33.80
1	"	"		37.70
2	"	"		32.50
1	"	"		26.00
1	outside Foreman,	"		43.33
2	"	"		39.00
2	"	"		32.50
1	Section Man,	"		31.20
7	"	"		29.25
1	Flag Man,	"		26.00
1	Cooper,	"		34.67
1	"	"		32.50
1	Watchman,	"		37.50
1	"	"		33.75
28	Brakemen,	"		29.25
1	Laborer,	"		32.50
13	"	"		29.25
30	"	"		26.00
1	Messenger,	"		13.00

113 men.

MACHINE SHOP.

A. S. Adams,	Master Machinist,	per annum,	$1200.00
1	Foreman,	per month,	65.00
1	Clerk,	"	52.00
1	Blacksmith,	"	56.33
1	"	"	45.50
2	Helpers,	"	32.50
1	Boiler Maker,	"	52.00
1	"	"	41.17
1	Pattern Maker,	"	52.00
1	Wood Worker,	"	47.67
3	Machinists,	"	52.00
1	"	"	49.84
1	"	"	47.67
5	"	"	45.50
11	"	"	43.33

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3	Machinists,	per month,	39.00
1	"	"	36.83
2	"	"	32.50
1	Stationary Engineman,	"	36.83
2	Watchmen,	"	37.50
3	Laborers,	"	32.50
2	"	"	30.33
1	Apprentice,	"	26.00
1	"	"	19.50
1	"	"	8.33

49 men.

20 Enginemen, per month, $52.00, 58.50 and 65.00
19 Firemen, " 27.25, 32.50 and 36.83.

88 men.

CAR SHOPS.

Ruel Dean,	Foreman,	per annum,	$782.50
1	Painter,	per month,	58.50
3	"	"	39.00
1	Tin Worker,	"	45.50
4	Carpenters,	"	45.50
5	"	"	42.25
10	"	"	39.00
1	"	"	35.75
1	"	"	32.50
1	"	"	29.25
1	Blacksmith,	"	43.33
2	"	"	41.17
1	"	"	39.00
3	"	"	36.83
4	Helpers,	"	32.50
1	"	"	29.25
2	Bolt Cutters,	"	35.75
1	Watchman,	"	37.50
2	Laborers,	"	26.00

45 men.

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ROAD REPAIR SECTIONS.

1	Section Master,	per month,		$58.50
2	" "	"		52.00
2	" "	"		45.50
1	" "	"		39.00
6	Foremen,	"		32.50
75		"		26.00
87	men.			

AT WORCESTER.

E. Moody,	Agent at Worcester,	per annum,		1000.00
1	Watchman,	per month,		37.50
2	Laborers,	"		32.50
1	Baggage Master,	"		33.00
1	Laborer,	"		29,25
6	men.			
1	Ticket Seller at Worcester.			

H. E. Sargent,	Freight Agent, Worcester,	per annum,		840.00
1	Clerk,	per month,		41.67
2	Foremen,	"		32.50
1	Watchman,	"		37.50
1	Switchman,	"		32.50
8	Laborers,	"		29.25
1	Flagman,	"		25.00
10	men.			

WAY STATIONS.

4	Way Agents,	per annum,		500.00
1	"	"		450.00
8	"	"		400.00
2	"	"		350.00
1	"	"		300 00
2	"	"		200.00
1	Engineman,	per month,		52.00
1	Clerk,	"		33.33
2	Laborers,	"		32.50

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2	Laborers,	per month,	$31.25
13	"	"	29.25
9	"	"	26.00
1	Brakeman,	"	28.00
47	men.		

SWITCH AND SIGNAL MEN.

1	Switchman,	per month,	40.00
1	"	"	32.50
2	Signal Men,	"	20.00
4	"	"	17.50
1	"	"	15.00
1	"	"	12.50
1	"	"	8.00
11	men.		

CARPENTERS.

N. B. Colby,	Foreman,	per month,	65.00
1	Carpenter,	"	41.67
6	"	"	39.00
8	men.		

FUEL DEPARTMENT.

Dexter Ware,	Agent,	per month,	52.00
2	Laborers,	"	32.50
1	"	"	29.25
9	"	"	26.00
13	men.		

Total number of persons employed on the 30th November, 1850, - - - - - - - - 484

Average number during the year, - - - - 426½

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TABLE B.

To November 30th, 1843, the Construction account was charged as follows:—

For Main Line, with double track and Millbury Branch,		$2,578,950.63	
For Equipment			
" Engines,	114,146.69		
" Cars,	143,071.26		
		257,217.95	
			2,836,168.58
VIZ, MAIN LINE.			
For Graduation, &c.	540,758.92		
Bridging,	154,410.82		
Superstructure,	922,443.41		
Stations,	393,786.32		
Land, &c.	365,934.21		
Engineering, &c.,	158,354.17		
		2,535,687.85	
MILLBURY BRANCH.			
For Graduation,	11,417.41		
Bridging,	1,146.95		
Superstructure,	25,698.81		
Stations,	2,637.72		
Land, &c.,	170.34		
Engineering, &c.	2,196.55		
		43,262.78	
For Engines and Cars,		257,217.95	

To November 30, 1850, the increase of the Construction account is

For Road and Branches,	1,768,478.84
Equipment,	278,000.81
	$2,046,479.65

VIZ, MAIN LINE.		
For Graduation,	8,779.19	
Bridging,	52,440.06	
Superstructure,	273,063.99	
Stations,	319,023.16	
Land,	511,596.32	
Engineering,	48,555.37	
		1,213,458.09

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Saxonville Branch.			
For Graduation, - -		$20,029.08	
Bridging, - -		5,499.58	
Superstructure, -		29,017.22	
Stations, - -		5,924.82	
Land, - - -		17,680.13	
Engineering, -		2,980.83	
			81,131.66
Newton Lower Falls Branch.			
For Graduation, - -		6,395.98	
Bridging, - -		7,261.73	
Superstructure, -		12,420.07	
Stations, - -		7,626.88	
Land, - - -		4,693.68	
Engineering, -		951.70	
			39,350.04
Milford Branch.			
For Graduation, - -		131,839.85	
Bridging, - -		25,437.76	
Superstructure, -		122,783.67	
Stations, - -		16,796.28	
Lands, - - -		27,537.09	
Engineering, -		11,422.47	
			335,817.12
Brookline Branch.			
For Graduation, - -		7,919.86	
Bridging, - -		969.84	
Superstructure, -		16,148.03	
Stations, - -		8,075.09	
Lands, - - -		15,932.88	
Engineering, &c., -		2,349.59	
			51,395.29
Framingham Branch.			
For Graduation, - -		9,436.22	
Bridging, - -		18,628.26	
Superstructure, -		9,240.86	
Stations, - -		124.48	
Lands, - - -		8,348.26	
Engineering, -		1,553.56	
			47,326.64

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For Engines, - - - - -	$80,078.54	
Cars, - - - - -	197,922.27	

The Construction account, November 30th, 1850, is charged with $4,882,648.23, as follows:—

For Graduation and Masonry.		
Main Line, - - -	$549,538.11	
Saxonville Branch, - -	20,029.08	
Newton Branch, - -	6,395.98	
Milford Branch, - -	131,839.85	
Brookline Branch, - -	7,919.86	
Millbury Branch, - -	11,417.41	
Framingham Branch, -	9,436.22	
		736,576.51
For Bridges.		
Main Line, - - -	206,850.88	
Saxonville Branch, - -	5,499.58	
Newton Branch, - -	6,550.23	
Milford Branch, - -	25,437.76	
Brookline Branch, - -	969.84	
Millbury Branch, - -	1,146.95	
Framingham Branch, -	18,628.26	
		265,083.50
For Superstructure.		
Main Line, - - -	1,195,507.40	
Saxonville Branch, - -	2,917.22	
Newton Branch, - -	12,420.07	
Milford Branch, - -	122,783.67	
Brookline Branch, - -	16,148.03	
Millbury Branch, - -	25,693.81	
Framingham Branch, - -	9,240.86	
		1,410,811.06
For Stations.		
Main Line, - - -	712,809.48	
Saxonville Branch, - -	5,924.82	
Newton Branch, - -	8,338.38	
Milford Branch, - -	16,796.28	
Brookline Branch, - -	8,075.09	
Millbury Branch, - -	2,637.72	
Framingham Branch, - -	124.48	
		754,706.25

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FOR LAND AND DAMAGES.

Main Line, - - -	$877,530.53	
Saxonville Branch, - -	17,680.13	
Newton Branch, - -	4,693.68	
Milford Branch, - -	27,537.09	
Brookline Branch, - -	15,932.88	
Millbury Branch, - -	170.34	
Framingham Branch, - -	8,343.26	
		951,887.91

FOR ENGINEERING, &C.

Main Line, - - -	206,909.54	
Saxonville Branch, - -	2,980.83	
Newton Lower Falls Branch,	951.70	
Milford Branch, - -	11,422.47	
Brookline Branch, - -	2,349.59	
Millbury Branch, - -	2,196.55	
Framingham Branch, - -	1,553.56	
		228,364.24
		$4,347,429.47

EQUIPMENT.

FOR CARS.

Passenger Cars, - - -	86,168.20	
Freight Cars, - - -	254,825.33	
		340,993.53
Engines, - - - - -		194,225.23
		$4,882,648.23

On the main line the increased expenditures, have arisen,

1st. In the Graduation and Masonry, from work done in widening the Cuts, Bank Walls and Drains.

2d. In the Bridging, principally the Tremont Street Bridge.

3d. In the superstructure, by taking up and relaying the track with heavy Iron, the increased weight being charged to construction; and in removing the old foundations, &c.

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4th. In Station Buildings, a new Freight House, Machine Shop, Engine House, Passenger House, and Car Shops, in Boston, new buildings at Way-Stations, and improvements at Worcester.

5th. In Land Damages settled; Lands purchased in South Cove, about $333,000; near Tremont Street, about $89,000; in Worcester, about $16,000; and near Way-Stations, about $56,000.

TABLE C.

REPORT OF PASSENGERS PASSED FREE, YEAR ENDING NOVEMBER 30, 1850.

	In special trains.	In through trains.	The amount which would have been received if paid at regular fares.	The amount if paid at Season Ticket rates.
Officers of the Road, and employees on business of the road	16,312	4,202	7,2 .30	1,569.51
Western Railroad, - - - -	2,791	2,150	2,600.70	479.19
Other Railroads, - - - - -	111	1,419	1,369.83	214.21
Telegraph Companies, - - -	8	162	155.50	24.30
P. O. Department, - - - -		31	29.45	4.56
Expresses, - - - - - - -	6	49	47.75	7.56
Complimentary, - - - - -	36	175	173.45	27.85
Charity, - - - - - - -		96	91.20	14.13
Police, - - - - - - - -		3	2,85	.44
	19,264	8,287	11,725.03	2,341.75

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TABLE B.

Dr. *Statement of the Accounts of the Boston and Worcester Railroad Corporation.* *Cr.*

CONSTRUCTION ACCOUNTS.				**CAPITAL.**		
For Main Road,		$3,749,145.94		Assessments received on 45,000 shares of stock,	$4,500,000.00	
BRANCHES.						
Saxonville,	81,131.66					
Millbury,	43,262.78					
Newton, Lower Falls,	39,350.04					
Milford,	335,817.12					
Brookline,	51,395.29					
Framingham,	47,326.64					
	$4,347,429.47					
EQUIPMENT.						
Engines,	194,225.23					
Cars,	340,993.53	— 535,218.76				
			4,882,648.23			$4,500,000.00
EXPENSE ACCOUNTS.				**INCOME.**		
For Running Expense of the year,		$383,041.08		Income of the year, 1850,	757,946.79	
" Interest,		21,297.73		Reserved Income of 1849,	8,408.68	
" Dividend, July 1, 1850.		135,000.00				
			539,398.81			766,355.47
ASSETS.				**DEBTS.**		
Cash on hand,		105,772.19		Notes payable,	61,000.00	
Norwich and Worcester Railroad Bonds, held by the Corporation,		59,000.00		Mortgages (on Land purchased,)	1,310.00	
114 Shares of the Boston and Worcester Railroad Stock, held by Company, at cost,		11,107.00		Bills Payable,	21,893.56	
Notes Receivable,		32,273.36		Unclaimed Dividends,	2,084.50	
Bills Receivable,		64,130.90		Individual Accounts,	8,696.23	
Individual Accounts,		53,421.32		Balances to connecting roads,	108,674.56	
			325,704.77			$203,658.85
Materials for Repairs and Consumption, on hand.				Bonds Payable in 1861,	50,000.00	
Iron,		39,747.90		Do. convertible into stock, at par,	325,000.00	
Sleepers,		4,000.00				375,000.00
Fuel,		40,838.20				$578,658.85
In Machine Shop,		17,057.46		Engine Depreciation,		16,000.00
" Car Shop,		15,603.95		Car do.		3,925.00
			117,247.51			598,583.85
			$5,864,939.32			$5,864,939.32

NOVEMBER 30, 1850.

HORACE WILLIAMS, *Treas'r.*

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TABLE E.

SCHEDULE OF THE QUANTITY, COST, AND LOCATION OF LANDS OWNED BY THE BOSTON AND WORCESTER RAILROAD CORPORATION, SUPPOSED NOT TO BE REQUIRED FOR THE USE OF THE ROAD.

Location.	Quantity.	Cost rate-	Amount Cost.	Total.
BOSTON.				
3 lots on Utica, Harvard and South streets,	4,416	.60	2,649.60	
Land between Lincoln and Albany streets,	13,306	2.00	26,600.00	
12 lots and Dwelling Houses on Curve street, about	13,200	3.75	50,200.00	
1 lot vacant,	1,100	2.12½	2,337.50	
Part lot on Harrison avenue,	500	1.25	625.00	
3 lots vacant on Curve street,	3,209	1.50	4,813.50	
1 lot with Dwelling House on Orange street,	1,700		4,000.00	
13 lots north side Indiana street,	17,429	.96½	16,818.98	
12 lots south side Indiana st.	14,693½	.96½	14,179.32	
2 lots west side Tremont st.	10,300	.75	7,725.00	
Empty Basin Lands,	44,000	1.00	44,000.00	
1 lot east side Castle street,	2,614	1.12½	2,940.75	
1 lot east side Castle street,	2,345	1.12½	2,638.12	
1 lot on Tremont and Castle streets,	13,770	.86	11,842.20	
1 lot on Tremont and Orange st., and Village place,	19.031	.75	14,273.25	205,643.22
BROOKLINE.				
Marsh Land, near Junction,	8 acres	250.00		2,000.00
BRIGHTON.				
Land at Cambridge Crossing,	5¾ acres	1,330.00	7,647.50	
1 lot adjoining the above,	7-10 acres	1,000.00	700.00	
Land near Arsenal Bridge,	4 18-100 acres	100.00	418.00	8,765.50
NEWTON.				
1 lot near Newtonville,	53-100 acres	100.00	53.00	
1 lot West Newton Station,	13,400 feet		348.40	401.40
NATICK.				
1 lot and House,			700.00	
1 lot and Shop,			750.00	1,550.00

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Location.	Quantity.	Cost rate.	Amount Cost.	Total.
SAXONVILLE.				
1 lot Upland,	2½ acres	340.00	850.00	
1 lot Meadow Land,	9 acres	340.00	3,060.00	
1 lot and House,			700.00	4,610.00
FRAMINGHAM.				
Part of the Clark Estate,				8.000.00
HOLLISTON.				
Leland Farm,	46 acres,			8,023.00
WESTBORO'.				
Land with 2 Dwelling Houses and Shops				1,200.00
MILLBURY.				
Lot Land and Cottage,				1,000.00
WORCESTER.				
Land on Washington Square, with Hotel and other buildings,	28,138 feet		4,125.00	
Lot on Grafton street,	14,700		4,950.00	
Hathaway Farm,	33¾ acres	230.00	7,762.50	
1 lot near Station House,			400.00	
2 lots Front st., (north side,)	12,500		12,500.00	
3 lots east side Norwich R. R.			3,800.00	
Land west of Union street,	40,000		2,300.00	
Land east of Union street,	20,000		1,200.00	37,037.50
				$278,230.62

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TWENTY-SECOND

ANNUAL REPORT

OF THE

DIRECTORS

OF THE

Boston & Worcester Railroad

CORPORATION,

FOR THE YEAR ENDING

NOVEMBER 30, 1851.

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TWENTY-SECOND

ANNUAL REPORT

OF THE

DIRECTORS

OF THE

Boston & Worcester Railroad

CORPORATION,

FOR THE YEAR ENDING

NOVEMBER 30, 1851.

BOSTON:
PRINTED BY DAVID CLAPP.
1852.

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REPORT.

To the Stockholders of the Boston & Worcester Railroad Corporation:

The Directors, in submitting their Twenty-Second Annual Report, have the honor to state:—

That the income of the year ending Nov. 30th, 1851, has been:

From Passengers, - - -	$403,362 24	
" Freight, - - - -	318,933 10	
" Rents, - - - -	11,438 78	
" Mails, - - - -	10,188 48	
Total income, - - - -		$743,922 60
Reserved income of the previous year,	$69,516 66	
From which been paid on account of an accident in 1847, - -	6,359 88	
Balance of reserved income, - -		$63,156 78
Total credit to income account, -		$807,079 38

WHICH HAS BEEN DISPOSED OF AND APPROPRIATED, AS FOLLOWS:

The working Expenses have been - - -		$387,327 15
Net income, - - - -		$419,752 23
From this sum has been paid interest,	$20,422 24	
Two dividends of 3½ per cent. each,	315,000 00	335,422 24
Surplus income, - - - -		$84,329 99

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Table A, hereto annexed, shows that the expenses of the year exceed those of the preceding year, by $10,286 07. This excess is principally in the repairs of engines, passenger cars, damages and law expenses.

The motive power has been unquestionably much improved. The place of two engines, sold for $4,000, has been supplied by two new engines of the first class, costing sixteen thousand dollars. They were built by Mr. Seth Wilmarth, of South Boston, and have proved to be machines of great power and satisfactory speed. The price of the engines sold was credited to construction account, and the price of the new engines, $16,000, charged to the fund set apart last year from income for that purpose.

The passenger cars have also received unusually large repairs, and are now in fair condition for service.

Twenty merchandise cars have been broken up, as not being worth repairing, and sixteen new ones substituted in their place; and the sum of $3,950 is appropriated from income to rebuild the remainder.

The excess, in law expenses and damages, arises principally from losses and suits growing out of a very serious accident in 1847. The verdict recovered in these suits, and expenses paid in connection with that accident, constitute the sum of $6,359 88, which was charged to the reserved income, but which is included in the Table A, in the item gratuities and damages.

A claim has existed, of long standing, against the Old Colony Railroad Corporation, for damages caused by the location of that road over our lands. This has been brought to trial since the last report, and resulted in a verdict for this corporation, of about $20,000, or of $42,000, depending upon the decision of a question of law reserved, as to the extent of the rights acquired by their location, to decide which sum is the true verdict. There are also general exceptions taken by the defendants, and the matter is, therefore, still in litigation. Whatever sum may be

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realized from this source, will be a credit to construction account.

The income account shows an increase in passenger receipts, of - - - - - -	$6,113 46
A decrease of freight receipts of - - - -	11,847 51
An increase, from rents and mails, of - - -	129 81
Making a total decrease, in the income of the road, of - - - - - - - - -	$5,604 24

The decrease in freight receipts has been wholly in that which is received from connecting roads. An active competition has arisen by attempts of other lines, of greater length, to divert the freight of the West from the more direct route of this and the Western Road, by reducing prices, by active solicitation through agents, departing from all rules of equal and published tariffs, and making special contracts at various, and sometimes very low, rates, according to the temper and demands of the customer. This has appeared to us an unworthy policy for large public institutions, like railway corporations, and ruinous, in the end, to a fair remunerative business. A very considerable amount of that business has been done, we are confident, entirely without profit, if not with loss, to the Railroad Companies. So long as they are more desirous of making a show of gross receipts than of finding a nett balance to divide to stockholders, this practice will probably be continued, and there is reason to apprehend a further depression. So far as other lines can furnish more direct communications, we are by no means desirous of interfering with their business; but in reference to the proper business of the line with which we are connected, that which finds its natural and most direct accommodation with us, we cannot consent to have it diverted from us by such means, at least till the price is reduced permanently below the point of profit.

In such a competition, however, it will be seen that the

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per centage of cost upon income must gradually increase; and unless stockholders, who are, in many instances, interested in all the lines, as well as the immediate managers of the road, shall be able to stay the progress of such competition, a serious depreciation of railway property may be apprehended. It has been our endeavor to do business at rates as low as a fair indemnity to the stockholders will warrant, to look for our profits to a careful economy, rather than to high rates, and to afford the largest practicable amount of public accommodation. We do not believe that an enlightened public will refuse to pay for this a reasonable and fair remuneration. If the managers of railways suffer the eagerness of competition to deprive them of it, the fault will be with them.

It is an undoubted fact that low rates of freight can only be afforded by concentrating business into large amounts. It has been estimated that upon the Massachusetts roads generally, the amount of business can be doubled without increasing the total cost of transportation more than 20 per cent. The capital, for instance, of the Boston & Worcester and Western Railroad Companies, their fixtures and road, and their equipments with but a small increase, are adequate to twice the amount of the business which they now do. An increase of business, therefore, on existing lines, is the most certain means that the public can look to for a reduction of the rates of transportation. On the other hand, if the business is more minutely subdivided, it is certain that either increased rates must be submitted to, or railway capital will not receive remunerating profits.

By a careful analysis of the expense account of this road, charging to freight expense a proportionate part of the expenses which are common to the freight and passenger department, it will be found that the cost of freight transportation, including the cost of loading and unloading, is, on an average, $2\frac{1}{10}$ cts. per ton per mile. Much of the freight from connecting lines pays us considerably less than

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that. The flour from the West, for instance, yields about $1\frac{1}{8}$ cent. per ton per mile. The regular charge of second class freight from Albany to Boston is 2 cts. per ton per mile; other goods, in large amounts, are carried at rates considerably below that.

It is not, however, to be inferred that, with a road doing a business equal to ours, every increased ton costs at that rate. Many items of expense are the same as they would be if the quantity were doubled. Other items are increased in but a small degree with the increased quantity. It may therefore be good policy to take some freights at very low rates, in addition to the usual amount. Fair average remunerative prices might be even prohibitory on some articles. Others might, by such prices, be turned to other markets. At Albany and Troy, for instance, a very slight difference in freight charges will turn flour and provisions from Boston to New York. In such cases as these, it may be good policy, as well for the road as for the public, to put the rates as low as any considerable, even a very moderate profit, will admit; while a larger profit may be fairly charged on goods of high value, where the freight charges bear a trifling proportion to the total valuation.

But there is danger that competition will be extended, for the sake of an apparent present profit, to reductions that make the business really a charge upon the other business of the roads. At the present prevailing rates of freight and passengers on the railroads in New England, it is doubtless a fact that freight pays a much smaller profit than passengers. By overlooking the wear and decay of all the moving equipment, and much of the fixed apparatus, the track, fences, &c., of a railroad, especially of a new road, an apparent profit may grace the books of the company, while in reality there should be an acknowledged loss.

It is inequitable to charge the travel with high rates to make up losses suffered in another and distinct business—and equally so to charge upon the local business a large

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profit, to indemnify the road against losses, or only nominal profits, on merchandise brought from a great distance. It is to be hoped that a more equitable and just system will prevail; and we are deeply impressed with the conviction that the value of railway property is essentially involved in the result.

In other respects the income of the road has had a steady advance, at once the proof and consequence of the prosperity and growth of the towns on its line. To accommodate the local business of our line we have run more trains than the immediate profit would seem to justify, but we have thought it our true interest, taking into view the future as well as the present, to give a liberal accommodation; and as far as practicable to foster the business and promote the growth of the local towns. We are gratified to say that, in general, we have been met, on the part of the inhabitants, by a just appreciation of our position, and in an enlightened and liberal spirit.

Table B shows the income, working expense, length and cost, of the several branches.

The trains have been run with great regularity and safety, making an increased mileage of 30,324 miles, in passenger trains. During the year, there have been transported in the cars 1,100,720 passengers; or, passengers carried one mile, 20,236,684; making an average distance of about 18 1-3 miles; of whom, we are happy to say, not an individual has received any injury whatever.

But we have not been equally fortunate in reference to other persons, and we have been compelled to record an unusual number of fatal or serious casualties. In the original laying out and construction of this, as well as other of the early built roads, experience had not demonstrated the dangers of grade crossings. Hence the number of public roads crossed at grade is very large, amounting, in the whole, on the main road and branches, to sixty-three.

But the directors became early impressed with the im-

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portance of limiting the number of grade crossings, as far as practicable, especially on the main road and for the largely travelled highways in the vicinity of the metropolis. Such was their estimate of the importance of this subject, that, at the Tremont crossing in Boston, where they were not permitted by the city authorities to make a bridge originally, they subsequently obtained leave, and erected a bridge at a cost of about $70,000.

But no experience, or consideration of danger and loss of life, seems to make due impression on the local authorities of towns and counties. We have resisted, with all the means that the law afforded, the increase of such crossings. But the selectmen of towns have insisted upon laying out public highways at grade over our road; and in one case, county commissioners, for most inscrutable reasons, have laid out, at grade, a large street, at a dangerous angle, near, and probable at no distant day to be included in, the city of Boston. At this point, a bridge could probably now be built at comparatively small expense, but in future it may be very onerous to whatever party may be required to build it.

While such is the action of the authorities, and such the public sentiment, no amount of care and prudence can prevent the recurrence of these painful accidents.

Another source of accidents has been the low construction of the bridges where they have been built. Their height has generally been prescribed by public authorities, and we have no power to raise them. In the city of Boston, the change could not now be made without heavy expenditure, such as probably no person would consider reasonable, even for such an object as this.

The rule of the road does not require of any person any exposure from this source. It positively forbids any one to be on the top of any passenger car while in motion. Yet the only two persons injured by contact with bridges during the

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year, were two brakemen, who were on the cars in express violation of this rule.

Another source of accidents, is the practice of walking upon the Railroad track. Whether a law, making it a penal offence for any one to encroach on that dangerous ground, would have any effect to stay the evil, may be doubtful. The highest penalty, death, so often unhappily inflicted, would seem as effectual as any enactment; but if power were given to our men to make summary and forcible ejectment of such persons, or by complaint to a magistrate to have a moderate fine inflicted, more effect might perhaps be given to our repeated but too often useless warnings and cautions, and enable us more effectually to take care of those who will not heed their own safety.

The whole number of fatal casualties has been fourteen; of which nine were from persons walking on the track, three were employees of the corporation, one a person attempting to enter the train when in motion, and one by accident to a person standing on the platform at a station.

In every case a coroner's inquest has been held, and on careful inquiry, no fault has been charged upon the Corporation.

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FINANCIAL CONDITION.

The funded debt of the Company is,		
	$425,000 00	
Floating debt, - -	135,657 08	
		$560,657 08

MEANS OF PAYMENT.

Stock of the Corporation issuable in connexion with the funded debt.		
4,250 shares, - - - -	$425,000 00	
Cash, and cash funds, viz., loans on collateral security, payable on or before January 1, 1852, - - -	150,668 62	
Nor. & Wor. R. R. Bonds, - -	59,000 00	
Notes receivable, - - - -	41,830 93	
Freight bills uncollected, - -	38,918 32	
114 shares B. & W. R. R. stock at cost, - - - - - -	11,107 00	
Individual accounts, - - .	47,252 51	
		$773,776 38
From which deduct dividend payable January 1, 1852, - - -	$157,500 00	
Amount credited and appropriated to depreciation of cars, - - -	3,925 00	$161,425 00
		616,351 38
Deduct debt as above stated, - - - - -		560,657 08
Excess of means over the debt, - - - -		$55,694 30
In addition to which we have the following means for future construction, viz. :—		
750 shares of stock, authorized by Stockholders' vote in April, 1850, - - -		$75,000 00
Land not required for use of the road, at cost, as per table reported last year, less sales of the last year, - - -		257,530 91
		$388,225 21

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Amount brought over,		$388,225 21
And the following assets, as the working stock of the road, viz.:		
Fuel,	$36,193 49	
Iron,	25,506 38	
Sleepers,	3,180 75	
Materials in Machine Shop,	16,557 30	
" in Car Shop,	10,693 52	
" in Blacksmith Shop,	2,755 80	
		$94,887 24
Total assets, including income reserved, over indebtment,		$483,112 45

CONSTRUCTION ACCOUNT.

The charges to this account on the main road have been,

For Blacksmith Shop,	$1,099 39	
Lands purchased,	1,371 11	
New Station House at Auburndale, in Newton,	1,219 00	
Damages recovered in suit for building Tremont st. Bridge,	3,088 85	
		$6,775 35
On Framingham Branch	1,069 63	
Land damages on Brookline Branch,	157 75	
Ditto on Milford Branch,	571 50	
		$1,798 88
		$8,574 23
There have been credited to Construction the following sums:—		
From sales of lands,	$20,794 41	
" " of two old Engines,	4,000 00	
" " of Gravel Cars,	2,400 00	
Cash paid on bond and credited to Milford Branch,	1,279 00	$28,473 41
Making net decrease of construction account,		$19,899 18

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Table C shows the number and character of free passes.

Table D shows the number of men employed on the 30th November, 1851, with the names and salaries of all salaried officers, and wages paid. The number of hands employed on that day was 484. The average number for the year was 479 men.

Table E is the Treasurer's statement of accounts and balance sheet of that date.

By order of the Directors.

THOMAS HOPKINSON, *President.*

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TABLE A.

TABLE SHOWING THE COMPARATIVE COST OF WORKING THE BOSTON & WORCESTER RAILROAD, 1850 AND 1851.

Description.	Cost, 1850.	Cost, 1851.	Increase.	Decrease.
Repairs of Road and Maintenance of Way	$55,821 12	$50,343 25		5,477 87
Repairs of Wooden Bridges	5,170 26	5,195 57	25 31	
Wages of Switchmen, Signalmen and Watchmen	9,907 44	10,332 00	424 56	
Repairs of Fences, Houses for Signalmen, &c.	581 99	1,064 04	482 05	
Repairs of Locomotives	37,280 79	42,052 94	4,772 15	
Repairs of Passenger Cars	8,096 38	14,397 90	6,301 52	
Repairs of Merchandise Cars	17,648 81	18,610 89	962 08	
Repairs of Gravel and other Cars	383 73	632 39	248 66	
Fuel used by Engines	79,839 91	80,061 88	221 97	
Oil	10,834 82	9,725 88		1,108 94
Waste	445 68	612 16	166 48	
Salaries, Wages, and Incidental Passenger Department	47,427 31	45,441 10		1,986 21
Do. do. Incidental Freight Depart.	63,690 34	63,157 15		533 19
Gratuities and Damages (including $6,359 88 pd from reserved income)	4,708 00	12,693 70	7,985 70	
Taxes and Insurance	8,611 70	8,575 83	35 87	
Repairs of Station Buildings, Aqueducts and Fixtures	6,141 80	6,163 33	21 53	
Interest	21,297 73	20,422 24		875 49
Salaries of President, Treasurer, Sup't, Law Expenses, &c.	20,451 00	24,627 02	4,176 02	
Total,	398,338 81	414,109 27	25,823 90	9,981 70

TABLE B.

Names of Branches.	Length. Miles.	Cost.	Expenses.	Income.	Am't carried to and from Main Road.
Millbury	3·000	$43,262 78	$1,571 00	$704 33	$6,531 92
Saxonville	3·867	81,131 66	3,487 83	1,547 85	8,444 33
Milford	11·969	335,109 62	16,821 72	19,230 44	43,391 25
Newton Lower Falls .	1·251	39,350 04	2,717 77	1,548 70	8,821 22
Brookline	1·553	51,553 04	9,579 53	13,466 19	none
Framingham (3 months)	1·998	48,395 67	219 45	219 45	*
	23·638		34,397 30	36,716 96	

* It is not supposed that it has yet brought any increase of business to the main line.

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TABLE C.

PASSENGERS PASSED FREE, YEAR ENDING NOV. 30, 1851.

Description.	Special Trains.	Through Trains.	Am't that would have been received at regular fares.	Am't at Season Ticket rates.
Officers and Employees . .	12,115	4,999	$7,277 05	$1,394 07
Western Railroad	1,938	1,906	2,104 60	390 35
Nashua & Worcester R. R.	. . .	582	494 70	80 03
Norwich & Worcester R. R.	. . .	558	474 30	76 72
Other Roads	. . .	648	550 80	89 10
Telegraph Co.'s (by contract)	. . .	155	131 75	21 31
Expresses " .	. . .	70	59 50	9 59
Charity	. . .	124	105 40	17 04
Police	. . .	5	4 25	69
	14,053	9,047	11,202 35	2,078 90

TABLE D.

NUMBER OF MEN EMPLOYED, AND THEIR COMPENSATION.

Thomas Hopkinson, President,	$3,000 00	Average wages of men in Machine Shop, exclusive of master mechanic	523 31
Geo. Bemis, Clerk,	200 00		
G. Twichell, Superintendent,	2,500 00		
Horace Williams, Treasurer,	1,700 00	Do. in Blacksmith Shop,	469 26
H. G. Perkins, Cashier,	1,000 00	Average wages of men in Car Shop, exclusive of master of the shop,	498 26
L. M. Miles, Clerk,	600 00		
George M. Clap, do.	500 00	Average wages of men in Freight Department, exclusive of Freight Master and clerks,	370 87
E. B. Jones, do.	650 00		
George Tyler, Engineer,	1,200 00		
George A. Hamilton, Clerk,	500 00	Average wages of clerks in Freight Department,	503 09
J. Q. A. Bean, Depot Master,	900 00		
E. B. Phillips, Freight Agent,	1,200 00	Average wages of Section Masters on the road,	570 11
A. S. Adams, Machinist,	1,200 00		
Ruel Dean, Car Builder,	782 50	Average wages of men employed by them,	320 76
E. Moody, Station Ag't Worces.	1,000 00		
H. E. Sargent, Ft. Ag't do.	840 00	Average wages of Conductors,	600 00
Ticket Seller at Boston,	600 00	Average wages of Firemen,	412 77
Four Station Agents, each	500 00	Average wages of Brakemen,	359 74
One do.	450 00	Average wages of Watchmen, Switchmen, Policemen, Baggage Masters, Porters, Mail Drivers and Signalmen,	368 65
Eight do. each	400 00		
Two do. each	350 00		
One do.	300 00		
Two do. each	200 00		
Average number of persons employed during the year,	479	Master Carpenter,	782 50
		Average of other Carpenters,	469 50
		Average of Fuel Department,	340 09

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Dr. TABLE E. *Statement of Accounts of the Boston & Worcester Railroad Corporation.* **Cr.**

CONSTRUCTION ACCOUNT.			
Main Road,		$3,735,126 88	
BRANCHES.			
Saxonville,	81,131 66		
Millbury,	43,262 78		
Lower Falls,	39,350 04		
Brookline,	51,553 04		
Milford	335,109 62		
Framingham,	48,395 67		
		598,802 81	
		$4,333,929 69	
EQUIPMENT.			
Engines,	190,225 23		
Passenger Cars,	86,168 20		
Merchandise and Gravel Cars,	252,425 33	528,818 76	$4,862,748 45
EXPENSE ACCOUNT.			
Running Expense of the year,		393,687 03	
Interest,		20,422 24	
Dividend, July, 1851,		157,500 00	
			571,609 27
ASSETS.			
Cash,		35,168 62	
Loans on collateral, payable on or before Jan. 1, 1852,		115,500 00	
Norwich & Worcester R. R. Bonds,		59,000 00	
City of Lafayette Bonds ($2000),		1,900 00	
Boston & Worcester R. R. Stock (114 shares),		11,107 00	
Notes Receivable,		39,929 93	
Bills Receivable,		38,918 32	
Individual Accounts,		47,252 51	
			348,776 38
Material for Repairs and Consumption, on hand.			
Iron,		25,506 38	
Sleepers,		3,180 75	
Fuel,		36,193 49	
In Machine Shop,		16,557 30	
Car Shop,		10,693 52	
Blacksmith Shop,		2,755 80	
			94,887 24
			$5,878,021 34

CAPITAL.			
Assessments received on 45,000 shares of Stock,		$4,500,000 00	
			$4,500,000 00
INCOME.			
Income of the year 1851,	743,922 60		
Reserved Income of 1850,	69,516 66		
			813,439 26
DEBTS.			
Notes Payable,	84,151 80		
Bills Payable,	37,011 57		
Unclaimed Dividends,	4,502 00		
Balances to connecting Roads,	7,830 19		
Individual Accounts,	2,161 52		
		135,657 08	
Bonds payable in 1861,	100,000 00		
" convertible into stock at par,	325,000 00		
		425,000 00	560,657 08
Car Depreciation,			3,925 00
			$5,878,021 34

BOSTON, Nov. 30, 1851.

HORACE WILLIAMS, *Treas'r.*

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Boston and Worcester Railroad Corporation

ANNUAL MEETING

THE ANNUAL MEETING of the Stockholders of this Corporation will be held in ASSEMBLY HALL, on Albany Street, in Boston, on WEDNESDAY, the 4th day of FEBRUARY next, at 11 o'clock, A.M., for the choice of Directors, and the transaction of such other business as may come before them.

GEORGE BEMIS, Clerk.

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Dr. TABLE E. *Statement of Accounts of the Boston & Worcester Railroad Corporation.* **Cr.**

CONSTRUCTION ACCOUNT.			
Main Road,		$3,735,126 88	
BRANCHES.			
Saxonville,	81,131 66		
Millbury,	43,262 78		
Lower Falls,	39,430 04		
Brookline,	51,553 04		
Milford,	335,109 62		
Framingham,	48,395 67		
	598,882 81		
		$4,334,009 69	
EQUIPMENT.			
Engines,	190,225 23		
Passenger Cars,	86,168 20		
Merchandise and Gravel Cars,	232,425 33	520,818 76	$4,862,748 45
EXPENSE ACCOUNT.			
Running Expense of the year,		393,687 03	
Interest,		20,122 24	
Dividend, July, 1851,		157,500 00	
		571,309 27	
ASSETS.			
Cash,		35,168 62	
Loans on collateral, payable on or before Jan. 1, 1852,		115,500 00	
Norwich & Worcester R. R. Bonds,		59,000 00	
City of Lafayette Bonds ($2000),		1,900 00	
Boston & Worcester R. R. Stock (114 shares),		11,107 00	
Notes Receivable,		39,929 94	
Bills Receivable,		30,911 32	
Individual Accounts,		47,298 51	
		340,776 38	
Material for Repairs and Consumption, on hand.			
Iron,		25,500 30	
Sleepers,		4,110 75	
Fuel,		36,198 40	
In Machine Shop,		16,557 30	
Car Shop,		10,693 58	
Blacksmith Shop,		2,755 00	
		94,807 34	
		$5,870,091 34	

Boston, Nov. 30, 1851.

CAPITAL.		
Assessments received on 45,000 shares of Stock,	$4,500,000 00	
		$4,500,000 00
INCOME.		
Income of the year 1851,	744,929 60	
Reserved Income of 1850,	69,510 66	
		813,439 26
DEBTS.		
Notes Payable,	14,151 80	
Bills Payable,	37,011 57	
Unclaimed Dividends,	4,302 00	
Balances to connecting Roads,	7,810 19	
Individual Accounts,	2,161 52	
	135,657 08	
Bonds payable in 1861,	100,000 00	
" convertible into stock at par,	325,000 00	
	425,000 00	560,657 08
Car Depreciation,		3,995 00
		$5,870,091 34

HORACE WILLIAMS, Treas'r.

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Boston and Worcester Railroad Corporation.

ANNUAL MEETING.

THE ANNUAL MEETING of the Stockholders of this Corporation, will be held in ASSEMBLY HALL, on Albany Street, in Boston, on WEDNESDAY, the 4th day of FEBRUARY next, at 11 o'clock, A.M., for the choice of Directors, and the transaction of such other business as may come before them.

GEORGE BEMIS, Clerk.

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Dr. TABLE E. *Statement of Accounts of the Boston & Worcester Railroad Corporation.* **Cr.**

CONSTRUCTION ACCOUNT.				**CAPITAL.**		
Main Road,			$3,735,126 88	Assessments received on 45,000 shares of Stock,		$4,500,000 00
BRANCHES.						
Saxonville,	81,131 66					
Millbury,	43,262 78					
Lower Falls,	39,350 04					
Brookline,	51,553 04					
Milford	335,109 62					
Framingham,	48,395 67					
		598,802 81				
		$4,333,929 69				
EQUIPMENT.						
Engines,	190,225 23					
Passenger Cars,	86,168 20					
Merchandise and Gravel Cars,	252,425 33	528,818 76	$4,862,748 45			$4,500,000 00
EXPENSE ACCOUNT.				**INCOME.**		
Running Expense of the year,		393,687 03		Income of the year 1851,	743,922 60	
Interest,		20,422 24		Reserved Income of 1850,	69,516 66	
Dividend, July, 1851,		157,500 00				813,439 26

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TWENTY-THIRD

ANNUAL REPORT

OF THE

DIRECTORS

OF THE

Boston & Worcester Railroad

CORPORATION,

FOR THE YEAR

ENDING NOVEMBER 30, 1852.

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TWENTY-THIRD

ANNUAL REPORT

OF THE

DIRECTORS

OF THE

Boston & Worcester Railroad

CORPORATION,

FOR THE YEAR

ENDING NOVEMBER 30, 1852.

BOSTON:
PRINTED BY DAVID CLAPP.
1853.

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OFFICERS OF THE COMPANY.

THOMAS HOPKINSON, *President.*

THOMAS HOPKINSON,
DANIEL DENNY,
NATH'L HAMMOND,
B. F. WHITE,
GEO. B. BLAKE,
TIMOTHY C. LEEDS,
ISAAC EMERY,
WM. PARKER,
GEO. MOREY,
} *Directors.*

GEO. MOREY, *Clerk.*

HORACE WILLIAMS, *Treasurer.*

GINERY TWICHELL, *Superintendent.*

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REPORT.

To the Stockholders of the Boston & Worcester Railroad Corporation:

The Directors, in submitting their Twenty-Third Annual Report, have the honor to state: that

The operations of the road have been attended with the usual degree of success; the number of casualties has been comparatively not large, none affecting life or injury *to any passenger*, and most of those that have been severe will appear from the statement taken from the return to the Legislature hereto annexed, marked (A), to have arisen from causes particularly referred to in our last annual report, viz., grade crossings and unlawful travelling on the railway tracks and bridges. We can only say, therefore, that the experience of the last year has deepened our convictions of the justice and importance of the views then expressed.

It will appear by the statements herein made, that the receipts of the last year have exceeded those of the preceding year, by a small sum; but the tonnage and passengers have increased in a larger ratio. It follows, of course, that the rates of fare and freight have been sensibly reduced.

The views taken by certain railroad companies of their rights and interests are such as must inevitably lead to almost universal competition, and its necessary consequence, reduced rates. There has yet been no general reduction of passenger fares on our road. The fare to New York, by way of Long Island Sound, however, has been reduced from $4 to $1.50 for first class, and from $2.50 to $1 for

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second class passage; and, though we have not consented to any reduction of our share of the receipts, and our receipts have been on that line considerably increased, there is no doubt that we have been injuriously affected, on the whole, by the reduction of through fares.

But a still more general competition exists in freight, especially in freight to and from the west. Many of the roads in New England, embracing a very large capital, were built with a view to, and upon very flattering estimates of, the value of this western business. The continuance of the present active competition will soon render it of very little value to any of them as a source of profit to the stockholders, who, if they find any satisfaction in their investments, must look for it to their share in the general benefit which accrues to them, in common with the public at large, from increased activity in trade caused by railroads.

Believing, however, that more is due to those who have invested their funds in these important enterprises, we have used every endeavor in our power to bring about arrangements to arrest this downward tendency below remunerative rates. And there is a hope entertained that a better state of things will be brought about by the public attention now directed to the subject, and the efforts of many persons who are uniting to the same end.

While we are desirous by economy and activity to extend to the public the most liberal accommodation, and to foster the business and increase the population on our line, and to enlarge the facilities of Boston as the commercial metropolis of New England, with all which our interests are inseparably united, we have been desirous to establish and maintain just rates and give the capital under our charge a fair remuneration.

The railway system will doubtless receive a vast extension beyond the present. New sources of business will arise, and new methods of economy will be invented. But nevertheless, at best, the expenses of operating them must, in

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the nature of things, remain very great. These cannot be mitigated by multiplication of roads for the same business. On the contrary, the most sure and certain means of reducing the cost of transportation will be removed, viz., the collecting of large quantities of business on the same road, and in the same trains. When to these considerations it is added, that probably at least one half of all the capital in New England railroads, amounting to not less than $100,000,000, is lost to stockholders, in the depreciation in the value of their shares, it behooves those who seek to build new competing roads to look well to the sources of their income.

The present bright prospects of business give promise of greatly increased transportation of both passengers and freight the current year. The profits of business men enable them to pay fair rates. When business is peculiarly dull, railway proprietors will not complain if their business sympathise in the general depression; but when better times succeed and raise other business to better profits, it is especially to be regretted that railway shareholders should not also participate in the good fortune. We can only pledge our faithful endeavors to protect their rights and interests, so far as they are entrusted to us. But judging from the past, we can give no confident pledges of success. The remedy seems to us to lie in a great measure in the controlling force which the good sense of the stockholders themselves may exert on their agents. The public has not been, on the whole, illiberal towards railroad companies. When rightly advised, they do not refuse to pay fair rates. They do not ask or expect the use of such vast capital without remuneration. The jealousies and rivalries of the managers themselves, often pushed on by unreflecting parties of the stockholders, is a leading source of the evil. To remedy which, let all those whose interests are involved keep themselves informed, and hold a careful vigilance over their servants.

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While the prospects of increased business are thus bright, there are causes leading to the anticipation of increased cost in the maintenance of roads. The price of iron has greatly enhanced, and lumber and labor have materially advanced. The iron used by us the last year cost but a fraction over $36 per ton. Just twice that sum is now asked, with no prospect of material relief during the year. We have laid down in renewals, about 750 tons of rails, during the last year. We shall probably require 900 to 1,000 tons the current year, about two-thirds of which is already contracted for on terms that will bring it to us at about $60 per ton. For the balance we shall have to pay the prevailing rates. When new iron is substituted for the old, the value of the old increases also with the cost of the new. But still, this advanced cost of the new material will essentially increase the cost of road repairs the current year.

The rate of wear of iron will probably be found much greater than generally estimated. Two years ago we stated the results of certain experiments on that subject in England and Belgium. Observation constantly directed to that subject has satisfied us that the liberal estimates for wear then made, above the results indicated by those experiments, were yet much too low. Probably the average duration of a rail on our road, including branches and sidings, will not exceed twelve years, which would require an average renewal of about eleven miles per annum, or with the weight of rail now used, about 1,000 tons. The difference between the value of old and new iron may be estimated at $25 per ton. The sum of $25,000 would thus be indicated as the cost of rails alone, for renewal of track.

The renewal of sleepers has probably been as large for the past year as the average is likely to be in future. The road-bed is in excellent condition for future wear and use.

The amount charged for building repairs the past year is $22,230. Of this sum, $12,730 has been expended in en-

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largement of the Boston Passenger House and the removal and refitting a building formerly used as a store house, with alterations of tracks leading to the freight house, and building new permanent passenger and freight houses in Southboro'.

Enterprising individuals in the neighborhood of the Southboro' station have taken a gratifying interest, and liberally aided improvements in the buildings and grounds at that place. A new station has been established at Cordaville, and convenient passenger and freight houses erected, the expense of which has been essentially diminished by the gratuitous grant of land for the purpose, and very liberal contribution of the principal cost of the passenger station, made by M. S. Sanford, Esq., the enterprising agent of the Cordaville Manufacturing Company.

It is also due to the town of Southboro' to make mention of the unexampled public spirit displayed in their outlays for highways leading to each of the railroad stations in that town; and it is gratifying to notice, that these liberal and judicious measures seem to promise a corresponding growth in the business prosperity and population of that town.

These expenditures by us, might justly have been charged to construction; but in pursuance of a general purpose not to increase the construction account, they have been paid from income.

By the alterations and enlargement of the passenger house in Boston, it has been much improved for public convenience. By the removal of the old store-house, great and much-needed facilities have been secured in freight tracks; and leasing the house formerly used for storage, but not now required, and the upper story of the new portion of the station house, in connection with Assembly Hall, the income from rents is increased probably about $2,000 —giving a fair income on the whole cost of the improvements, independently of the increased accommodations for railroad purposes.

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In the equipment, the usual repairs have been made. The engines are in excellent and efficient condition. Great credit is due to Mr. Adams, the head of the machine shop, in the administration of that department of the service. The passenger cars are believed to be adequate to the service and satisfactory to the public. The freight cars have retained their full number by renewals, in place of those broken up, as unfit to repair, but a large part of them are materially depreciated in value by age and wear, and stand charged in the equipment account considerably above their present value. We have not charged off this depreciation from current income. It is the result of years of wear and decay, and it is difficult to estimate the amount belonging to any single year. But we should feel that justice to the construction account required a large sum to be credited under that head, but for the fact that the service requires an increased number of cars. Something like fifty new double freight cars should be added to our stock, at a cost of about $30,000. This expense, taken from reserved income, would be not more than a just allowance to car account for depreciation.

The engines also stand charged in the construction account, $189,425. Their present cash value is appraised at $166,350. We propose to increase their number by one or two new engines, from the reserved income, and to charge off also from the same fund, and credit to construction, the balance requisite to make the account correspond to the exact per cent. value of the stock on hand.

With these deductions, our reserved income will be reduced $47,000.

The construction account has been reduced the last three years, from sales of lands principally, from $4,908,332 40 to $4,845,966 99 — a difference of $62,365 41. The total amount received from sales of lands within the three last years, has been $101,634 23. These lands stood in the land account, charged at a cost of $57,059. The sales

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have realized over the estimated cost, therefore, $44,575 23. From the avails of these sales various charges have been made for construction account, and the actual net reduction of that account has been, as above stated, a little over $62,000.

These data seem to us to justify the anticipation expressed in our report of 1850, that the capital stock of the road will not need to be increased beyond its present authorized amount of $5,000,000, and that future constructions, necessary for the increased demands of public accommodation, may be made from the avails of land sales.

The annexed table (B) will show the separate income and expense of the several branches, exhibiting no very material features differing from the last three years, during which similar accounts have been reported.

The construction of the Charles River Branch Railroad, from the termination of our Brookline Branch, has been completed to Newton Upper Falls Village during the season, and was opened for public use on the 24th day of November last. We have run trains over the road, under a contract made, but not yet signed by the parties, at a price of 50 cents per mile run. This is about the estimated actual cost of extending our Brookline trains over that road. Whether this road will bring to us new business sufficient to more than indemnify us for that which it takes from us at points more remote from Boston than that where we now receive it from them, is a question that can only be decided by experience. We do not anticipate any very material profit or loss from that connection.

The income for the year, ending Nov. 30, 1852, has been as follows:—

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Business originating on Main Road and Branches.		
Passengers, - -	$281,153 90	
Freight, - - -	136,463 93	
		$417,617 83
For transportation jointly with Western Railroad.		
Passengers, - -	$131,368 00	
Freight, - -	143,044 92	
		$274,412 92
Transportation jointly with other Roads.		
Passengers, - -	$12,191 83	
Freight, - -	35,434 42	
		$47,626 25
Mail, - - - - - - - -		7,962 60
Rents, - - - - - - - -		9,650 87
Use Engine, &c., - - - -		1,549 00
		$758,819 47

The apparent decrease of rents and mails, compared with former years, results from a change in the mode of stating accounts. Heretofore, the whole sum received from mails was stated as income, while large payments were made to sub-contractors for delivery of mails after they left the railroad stations. It seemed to us more just to state the net amount of mail receipts, deducting the sums paid for transportation by other parties. In like manner, repairs and expenses on buildings not in any way used for railroad purposes, have heretofore been included in expenses for working the road. They have this year been charged to the receipts from rent, and the net sum only reported. With the accounts stated as heretofore, there would appear an increase of receipts. The account would then stand — mails, $11,644 14; and for rents, $11,079 29: and Expenses for mails, $3,681 54; and for rents, $1,428 42.

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The expenses of working the road for the year have been as follows:—

Repairs of Road and maintenance of Way,	$35,178 31	
Repairs of Wooden Bridges,	2,220 73	
Renewals of Iron,	20,421 20	
Wages of Switchmen, Signal men and Watchmen,	10,965 00	
Repairs of fences,	367 46	
Repairs of Locomotives,	42,712 59	
" of Passenger Cars,	11,860 90	
" of Merchandize Cars,	13,310 10	
New Cars to cover depreciation,	2,900 00	
Repairs of Gravel Cars,	602 40	
Fuel used in Engines,	89,828 48	
Oil used by Engines and Cars,	10,415 32	
Waste,	797 74	
Salaries, wages, and incidental expenses in Passenger department,	47,106 39	
Salaries, wages, &c. in Freight dep't	64,802 17	
Gratuities and Damages,	4,761 66	
Taxes and Insurance,	7,043 20	
Repairs of Station buildings, with additions (12,780 48),	23,230 79	
Salaries of President, Treasurer, Superintendent, law expenses, &c.	22,216 14	
Total,		$409,740 28
Net income,		349,079 19
From which have been appropriated for interest,	$ 17,782 42	
Two dividends, 3½ per cent. each,	315,000 00	
		$332,782 42
Balance income reserved,		16,296 77
Add reserved income reported last year,		84,329 99
Total income reserved,		$100,626 76

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FINANCIAL CONDITION.

Funded debt, - - -	$425,000 00	
Floating " - - -	115,916 29	
		$540,916 29

MEANS OF PAYMENT.

Stock issuable in connexion with funded debt, 4,250 shares,	$425,000 00
Cash on hand and loans on demand with collateral, -	129,333 16
Nor. & Wor. Railroad bonds,	59,000 00
Notes receivable (mostly secured by mortgage), - - -	43,374 95
Freight bills uncollected - -	49,644 67
One hundred and fourteen shares B. & W. R. R. stock, cost,	11,107 00
City of Lafayette bond (rec'd in payment for an engine sold),	1,900 00
Individual accounts and balances with connecting roads, -	59,685 43
	$779,045 21
Deduct dividend payable in Jan. 1853, - - - - -	$157,500 00
	$621,545 21
Deduct debts as above, - -	540,916 29
Excess of means over debts, -	$80,628 92

In addition to which, we have the following assets:

Fuel and materials, the working stock of the road, - -	$102,955 85
750 shares of stock authorized to be issued with convertible bonds by act of 1850, -	$75,000 00
Land account as published in last annual report, less cost of those since sold, - - - -	$252,979 81
Total assets, besides the road and equipments, including land not used for railroad purposes, and deducting debts, - -	$511,564 58

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Table (C) shows the number of men employed, also the salaries paid to the officers and various employees of the road.

Table (D) is a statement of accounts abridged from the Treasurer's books.

The Directors, while acknowledging the confidence reposed in them by the Stockholders, take this occasion to record their satisfaction in the general good conduct and fidelity of the persons employed by them, and especially to notice the ability and devotion to the interests of the Corporation displayed by the Superintendent in the discharge of his various, important, and arduous duties.

Which is respectfully submitted.

By order of the Directors,

THOS. HOPKINSON, *President.*

ERRATUM.—Page 8, for "reduced $47,000," read reduced to about $47,000.

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TABLE A.

STATEMENT OF CASUALTIES.

During the year ending November 30th, 1852, there have been run — six regular Passenger Trains daily between Boston and Worcester; three over the Milford Branch; two over the Millbury Branch; two over the Saxonville Branch; five over the Framingham Branch; five in winter and six in summer over the Newton Lower Falls Branch; nine to eleven over the Brookline Branch; and no trip has been lost during the year. There have been carried in the cars 1,185,371 passengers, or 20,759,337 carried one mile. Of this number, no one has received any injury.

Accidents have occurred during the year in working the road as follows:—

Dec. 25, 1851. W. A. Eaton (a freight train brakeman), in passing under a bridge in Needham, was slightly injured.

Jan. 21, 1852. Arnold W. Brown (of Boston), while walking on the bridge not designed or properly used for travel, on the Newton Branch Railroad, was struck by a passing train and fatally injured.

Jan. 27, 1852. Geo. W. Shaw (of Needham), while attempting to cross (with a horse and sleigh) the track at Newton Lower Falls, came in contact with the evening train from Boston, and was so badly injured that he died the next day. Mrs. Sarah E. Shaw, his wife, who was driving at the time, was seriously injured. Also a young lady (who was in the sleigh with Mr. and Mrs. Shaw), was slightly injured. The train was on its due time, was moving at a very slow rate; the bell was rung and all usual warning given. The coroner's jury summoned in the case of Mr. Shaw, say, that "there was no blame to be attached to any person connected with the train."

April 5, 1852. Michael Townley, while walking on the track near the Boston & Providence R. R. crossing, was knocked down by a passing train and slightly injured.

April 20, 1852. Robert Holman (of Worcester), while walking on the track between Worcester and Grafton, was run over and instantly killed.

June 10, 1852. A woman (name and residence unknown, supposed to be insane), while walking on the track in the direction of an approaching train, between Brighton and Boston, was run over and instantly killed.

June 11, 1852. Mrs. Nancy Howe (of Needham), being in a deranged state of mind, threw herself upon the track directly in front of a passing train, was run over and instantly killed.

July 24, 1852. Patrick Daily, while assisting in dumping gravel cars, was seriously injured.

July 26, 1852. Edward Grover (baggage master on the Saxon-

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ville train), in consequence of the train running over a cow, was thrown off and had one arm broken.

August 14, 1852. John Riley (of Newton), in attempting to get on the cars after the train had started, fell under the wheels and lost one arm.

November 16, 1852. John A. Haywood (a freight train brakeman), in passing under a bridge in Brighton, coming in contact with the bridge, was instantly killed.

TABLE B.

Names of Branches.	Length. Miles.	Cost.	Expenses.	Earnings.	Am't carried to and from Main R'd.*
Millbury . . .	3·000	43,262 78	1,527 25	702 35	6,129 90
Saxonville . . .	3·867	81,131 66	3,277 58	1,562 91	7,185 27
Milford . . .	11·966	335,023 87	16,006 61	18,769 34	32,598 78
Newton L. Falls .	1·251	39,350 04	2,377 82	1,535 67	8,124 34
Brookline . . .	1·553	52,053 04	10,051 95	13,376 97	none.
Framingham . .	1·998	48,980 79	1,736 05	1,033 65	4,383 19

* Not including Branches' proportion.

TABLE C.

NUMBER OF MEN EMPLOYED, AND THEIR COMPENSATION.

AVERAGE NUMBER EMPLOYED DURING THE YEAR, 473.

Thomas Hopkinson, President,	$3,000 00	10 Station Agents, each	400 00
Thomas Hopkinson, Solicitor,	1,000 00	4 " " "	500 00
Ginery Twichell, Sup't,	2,500 00	5 " " "	200 00
Horace Williams, Treasurer,	1,700 00	1 " "	450 00
Henry G. Perkins, Cashier,	1,000 00	1 " "	300 00
Homer E. Sargent, Fr't Ag't,	1,200 00	Average wages of men in Machine Shop, exclusive of master machinist, per day,	1 70
George Williams, Jr., Passenger and Freight Agent,	1,000 00		
A. S. Adams, Master Machinist,	1,200 00	Average wages in Car Repair Shop, exclusive of master mechanic, per day,	1 50
George Tyler, Engineer,	1,200 00		
J. Q. A. Bean, Depot Master,	900 00	Average wages of blacksmiths,	1 50
Ruel Dean, Foreman Car Repairing Shop,	782 50	Wages of Enginemen of Freight Trains, per day,	2 50
Nathaniel Colby, Master Carpenter,	782 50		
Edwin Moody, Agent at Wor.	1,000 00	Ditto Passenger Trains,	2 25
E. W. Ridgeway, Fr't Ag't do.	840 00	Average wages of firemen, per day,	1 30
Hezekiah Earle, Jr. Book-keeper Freight Department,	800 00	Ditto of clerks, &c. in Fr't Departmt,	1 50
		Ditto of laborers in do.	1 12
Josiah Gould, Cashier do.	700 00	Ditto of Carpenters, exclu. of master,	1 50
J. K. F. Mansfield, Collector, do.	600 00	Ditto of Sect. Masters on road repairs,	1 75
E. B. Jones, Treasurer's Clerk,	650 00	Ditto of laborers under them,	1 00
Rufus R. Cook, Police Officer,	600 00	Ditto of Switchmen,	1 25
Jas. M. Tower, Ticket Seller,	600 00	Ditto of Watchmen,	1 25
L. M. Miles, Ticket Clerk,	600 00	Ditto of men employed at Way Stations,	1 12
Geo. M. Clapp, Assistant,	500 00		
Jarvis Lothrop, Wood Agent,	500 00	Ditto of Signal Men,	67
Daniel Webster, Clerk Machine and Car Repair Shop,	600 00	Ditto of Baggage Masters,	1 25
		Ditto of Brakemen,	1 17
10 Conductors, each	600 00	Ditto of men in Fuel Department,	1 00

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Dr. TABLE D. *Statement of Accounts of the Boston & Worcester Railroad Corporation.* **Cr.**

CONSTRUCTION ACCOUNT.			
Main Road, . . .	$3,718,146 05		
BRANCHES.			
Saxonville, .	81,131 66		
Millbury, .	43,262 78		
Lower Falls, .	39,350 04		
Milford, . .	335,023 87		
Brookline,	52,053 04		
Framingham, .	48,980 79—599,802 18		
		4,317,948 23	
EQUIPMENT.			
Engines, . . .	189,425 23		
Passenger Cars, . .	86,168 20		
Freight and Gravel do., .	252,425 33	528,018 76	
			4,845,966 99
EXPENSE ACCOUNT.			
Running Expense of the year, . . .		409,740 28	
Interest, ...		17,782 42	
			427,522 70
Dividend, July, 1852, ...			157,500 00
ASSETS.			
Cash, ...		44,323 16	
Loans on collateral, payable on or before Jan. 1, 1853, ...		85,010 00	
Norwich & Worcester R. R. Bonds, . .		59,000 00	
Notes Receivable, ...		43,374 95	
Bills Receivable, ...		49,644 67	
Boston & Worcester R. R. Stock (114 shares)		11,107 00	
Balance due from connecting roads, . .		12,296 70	
Individual Accounts, ...		47,388 73	
City of Lafayette Bonds (2000), . .		1,900 00	
			354,045 21
Materials for Repairs and Consumption, on hand.			
Iron, ...		29,411 15	
Sleepers, ...		1,540 08	
Fuel, ...		41,982 35	
In Machine Shop, ...		15,453 14	
Car Shop, ...		12,038 75	
Blacksmith Shop, ...		2,530 38	102,955 85
			$5,887,990 75

BOSTON, Nov. 30, 1852.

CAPITAL.			
Assessments,			$4,500,000 00
INCOME.			
Income of the year 1852, ...		758,819 47	
Reserved Income of 1851, ...		84,329 99	
			843,149 46
DEBTS.			
Notes Payable, ...		56,495 54	
Bills Payable, ...		42,721 52	
Unclaimed Dividends, ...		5,794 00	
Balances to connecting Roads, . . .		6,104 18	
Individual Accounts, ...		5,801 05	
		$115,916 29	
Bonds payable in 1861, . .	100,000		
Bonds convertible into stock at par,	325,000		
		425,000 00	540,916 29
Car Depreciation, ...			3,925 00
			$5,887,990 75

HORACE WILLIAMS, *Treasurer.*

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BOSTON & WORCESTER RAILROAD.

THE *Annual* Meeting of the Stockholders of the Boston and Worcester Railroad Corporation will be holden in the rooms of the Corporation, in the Passenger Station, at the corner of Beach and Lincoln Streets, in Boston, on the first Wednesday of February next, being the second day of the month, at 11 o'clock, A.M., for the choice of Directors, and the transaction of such other business as may come before the meeting.

GEORGE MOREY, *Clerk.*

JANUARY, 1853.

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